

**2011–2012  
LOS ANGELES COUNTY  
CIVIL GRAND JURY**



**FINAL REPORT**



## County of Los Angeles **CIVIL GRAND JURY**

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June 30, 2012

The Hon. Patricia M. Schnegg, Supervising Judge  
Criminal Justice Center  
Los Angeles Superior Court  
Clara Foltz Criminal Courts Building  
210 West Temple Street  
Los Angeles, California 90012

Dear Judge Schnegg:

In compliance with California Penal Code §933(a), the 2011-2012 Los Angeles County Civil Grand Jury hereby submits its Final Report to your attention. This Final Report represents the efforts of twenty-three Civil Grand Jury members who spent the 2011-2012 fiscal year dedicated to fulfilling their mission to safeguard citizens' interests by performing as a "watchdog" over the operations of public agencies within Los Angeles County.

The task of assembling twenty-three heretofore strangers and setting out to fulfill the Penal Code's mandate to the Civil Grand Jury within a one-year period initially appeared daunting to the newly-installed Civil Grand Jury members as they formally met on July 1, 2011 for the first time. However, I am extremely pleased to report that these members immediately hit the road running. Necessary committees were quickly formed, governing policies and procedures were agreed upon, and the larger task of determining a "compass" by which to select potential topics for research and investigation was promptly addressed.

Pursuant to California Penal Code §919, this Civil Grand Jury completed a detailed evaluation of the conditions and management of 93 separate detention facilities within Los Angeles County. In addition, the Civil Grand Jury received and considered 61 complaints from citizens of the County. Finally, the 2011-2012 Civil Grand Jury members generated and debated the merits of investigating 36 different areas of public government and policy-making, before deciding to focus its resources on 17 specific topics, including six governance subjects, eight subjects covering social issues, and three subjects resulting from citizens' complaints.

To assist the Civil Grand Jury in becoming aware of potential issues and concerns within the various levels and functions of public government in Los

Angeles County, 21 prominent public officials made presentations to the Civil Grand Jury; in addition, field trips were taken by the Civil Grand Jury to 10 public facilities. It is appropriate to note that the great majority of public officials and employees that the Civil Grand Jury interacted with and observed were very cooperative and represented their agencies in a thoroughly professional manner.

As Foreperson of the 2011-2012 Civil Grand Jury, I was very fortunate to be surrounded by twenty-two persons, each of whom demonstrated his and her commitment to the ideals and expectations of the Civil Grand Jury on a daily basis. The size and complexity of the County of Los Angeles, including all its municipalities, county agencies, and special districts, presented significant challenges to the Civil Grand Jury as it deliberated how best to determine serious investigative subjects that would provide substantial results and meaningful recommendations for the benefit of the citizens of Los Angeles County. Despite the cultural, occupational, and age differences of our individual Civil Grand Jury members, we blended together as one to reach consensus on all matters large and small. All members advocated for matters they felt strongly about, but also demonstrated the willingness to compromise when situations called for compromise. To all my fellow Grand Jurors I offer my sincere thanks and appreciation for this achievement.

In addition I would like to express the Civil Grand Jury's thanks to the following persons:

- Jennifer Lehman, Principal Deputy County Counsel, who made sure that our legal rudder was always pointed straight ahead; and
- Civil Grand Jury staff members Mark Hoffman, Cora Artizada, and Natalie Rascon, who cared for and looked after twenty-three persons for an entire year.

As prior Civil Grand Jurors have often expressed regarding their own experience, the year that our Civil Grand Jury members spent researching, investigating, reading, listening to, discussing, and debating significant public policy issues is simply the most fulfilling and comprehensive civics class imaginable. We thank the Los Angeles Superior Court and you, Judge Schnegg, for this opportunity to both serve and learn.

Sincerely,



Alf Schonbach, Foreperson  
2011–2012 Los Angeles County Civil Grand Jury



Seated L-R: Margaret Yzaguirre, Leah V. Granof, Jocelyn Keene (Foreperson Pro-Tem), Alf Schonbach (Foreperson), Diana S. Lee, William Frank Guzman, Thomas C. Wentz  
Standing L-R: Karen Stracka, Rik Shubb, Sharon S. Burgess, Gregory Steve Alvarado (Secretary), Bobbi Miller, Thomas Joyner, Bill Bertrand (Sergeant-at-Arms), Magdalene Y. Ho, Jon W. Valliere, Sr., Elizabeth B. Calvert (Secretary), Eunice Carr, Delora Brown

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## **HOW TO RESPOND TO RECOMMENDATIONS IN THIS REPORT**

Pursuant to California Penal Code §933.05, the person or entity responding to each grand jury finding shall indicate one of the following:

1. The respondent agrees with the finding.
2. The respondent disagrees wholly with or partially with the finding, in which case the response shall specify the portion of the finding that is disputed and shall include an explanation of the reasons therefore.

The person or entity responding to each grand jury recommendation shall report one of the following actions:

1. The recommendation has been implemented, with a summary regarding the implementation action.
2. The recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation.
3. The recommendation requires further analysis, with an explanation and the scope and parameters of an analysis or study, and a timeframe for the matter to be prepared for discussion by the officer or head of the agency or department being investigated or reviewed, including the governing body of the public agency where applicable. This timeframe shall not exceed six months from the date of publication of the grand jury report.
4. The recommendation will not be implemented because it is not warranted or is not reasonable, with an explanation therefore.

### **SEND ALL RESPONSES TO:**

Presiding Judge  
Los Angeles County Superior Court  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street,  
Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

All responses for the 2011-2012 CGJ Final Report's recommendations must be submitted to the above address on or before the end of business on October 1, 2012.



# INVESTIGATIVE REPORTS





# GOVERNANCE ISSUES





# **CHARTER CITIES' FISCAL HEALTH, GOVERNANCE AND MANAGEMENT PRACTICES**



## **COMMITTEE MEMBERS**

**Magdalene Y. Ho – Co-Chair**  
**Alf Schonbach – Co-Chair**  
**Gregory Steve Alvarado**  
**Elizabeth B. Calvert**  
**Bob Cremer**  
**Leah V. Granof**  
**Thomas Joyner**



# CHARTER CITIES' FISCAL HEALTH, GOVERNANCE AND MANAGEMENT PRACTICES

## EXECUTIVE SUMMARY

Charter cities in California are given greater authority and flexibility, by California law, than general law cities over municipal affairs. The 2011–2012 Los Angeles County Civil Grand Jury (CGJ) members expressed concern about the potential for abuse of this flexibility. The CGJ decided to investigate the fiscal health, as well as the governance, financial management, and procurement and contracting practices of charter cities. Employees with total taxable compensation over \$200,000 for 2011 were also identified.

To conduct this investigation, the fiscal year (FY) 2009-2010 Comprehensive Annual Financial Reports (CAFR) or basic financial statements for each charter city were obtained and analyzed. Best practices for local governments in the areas of governance, financial management, and procurement and contracting were identified. A questionnaire was developed to collect information on current practices of the charter cities in each best practice area, as well as employee compensation. The questionnaire requested each city to provide copies of documentation supporting its responses, and any comments or additional information. These documents and comments were reviewed.

### Financial Health

Charter cities in Los Angeles County, like local governments throughout California and the nation, have been severely impacted by the economic downturn that began in 2008 and continues. The charter cities have responded to the economic downturn and have made substantial efforts to reduce costs consistent with reduced revenues.

Despite these efforts, most charter cities expended more than they received in revenues in FY 2010. Two cities spent more than 50% more than they took in, and the average for all cities was nearly 17% in total and 15% for city general funds. Most cities total net assets and general fund balances also declined, indicating cities are spending down their assets in order to meet current financial obligations. Several charter cities ratio of total assets to total liabilities is also lower than desirable.

Governance and management practices of each city contribute to how well prepared each was for the economic downturn, and how effectively each has responded. Information on “best practices” for local governments was compared to current practices by charter cities in the areas of governance, financial management, and procurement and contracting. It is hopeful these best practices and recommendations will be useful to the charter cities in addressing their current financial challenges, and preparing for the future.

### Governance Practices

Governance describes the role of a board or city council in providing leadership for an organization. Strategic planning and performance measurement are key tools for a city

council to provide the overall direction for the city, and to oversee the city's performance. The CGJ found several cities that had developed comprehensive strategic plans. Others held regular strategic planning sessions with the city council to discuss strategic issues and provide needed direction. Many other cities focused on short-term or budget related goals, which do not provide the appropriate strategic focus and direction for these cities. The CGJ recommends charter cities that have not developed and adopted a strategic plan that articulates the mission, vision, core values and priorities (goals and objectives) for the City consider doing so.

While most cities responded that they had adopted performance measures or indicators to evaluate outcomes or progress on priorities, the CGJ found only a few cities that had such performance measures. Most cities either provided no performance measure information, or provided performance information that was not quantified, or was focused on activities or workload with little or no information on results or outcomes. The CGJ recommends charter cities that have not developed and reported on performance measures, or indicators to evaluate outcomes or progress on priorities, should consider doing so. These performance measures should be quantified, focused on outcomes or results, and information should be provided for several years to allow evaluation of progress over time.

Effective governance also requires formal definitions of roles and relationships, especially for the city council and executive (city manager or city administrator). It is also important for city councils to provide clear direction for the executive through specific goals and objectives and performance reviews. All cities had defined basic roles and provided the legal framework for the city council and executive through the charter and/or municipal code. A best practice for city councils or boards is to go beyond this basic framework and develop a more detailed description of the relationship. This more extensive "governance framework" can improve the cohesion and effectiveness of both the city council and the executive. The CGJ recommends city councils consider developing a "governance" policy that more specifically defines the relationship between the council and the executive. City councils that do not develop specific annual goals for the city's executive (city manager or city administrator) and conduct meaningful evaluations annually should consider doing so.

Adopting appropriate policies is another key element of effective governance. Two policies that charter cities are required by California Government Code to adopt are a "Conflict of Interest" policy and an "Investment" policy. The CGJ found that all charter cities have adopted or are in the process of adopting a Conflict of Interest policy, and all have adopted an Investment policy.

### **Financial Management Practices**

Financial management within each city is responsible for managing and protecting the financial resources and assets of the city. Effective financial management requires adequate systems of internal controls to ensure funds are used for intended purposes, and transparency and reliability of financial reporting. The Government Finance Officers Association (GFOA) developed recommended best practices to provide guidance on

sound financial management practices. These best practices serve as the basis for evaluating the financial management practices of the charter cities.

An audit committee is a practical approach for the city council to provide independent review and oversight of financial reporting processes, internal controls, and independent auditors. The GFOA recommends the governing body of every state and local government establish an audit committee or its equivalent, and make it directly responsible for the work of the independent auditor. Most charter cities have not established a formal audit committee with the responsibility for monitoring and overseeing financial reporting. The CGJ recommends charter cities consider formally establishing an audit committee and making it directly responsible for the work of the independent auditor.

Annual independent audits are required by each city's charter, and are key in preserving the integrity of public finance functions and maintaining the public's confidence. The GFOA recommends the independent auditor be selected in a way that ensures the auditor meets independence standards, is selected competitively, and the provision of non-audit services by the auditor are carefully reviewed and approved. All charter cities require their auditors to comply with independence standards and most select their auditors through a competitive process. Most also preclude the auditor from providing non-audit services. The CGJ recommends charter cities continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should consider doing so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.

Formal documentation of accounting policies and procedures is an essential component in providing effective controls over accounting and financial reporting. The GFOA recommends that accounting policies and procedures be documented, and evaluated and updated at least every three years. Several charter cities did not have documented accounting policies and procedures, and most of those that did could improve their documentation and maintenance of accounting policies and procedures. The CGJ recommends charter cities consider reviewing and updating accounting policies and procedures to ensure they are appropriately detailed and define the specific authority and responsibility of employees. Cities should also consider establishing a policy requiring policies and procedures be reviewed annually and updated at least once every three years.

Most fraud, abuse, and questionable practices are identified through reporting by employees or members of the public. The GFOA recommends establishment of policies and procedures to encourage and facilitate reporting of fraud, abuse and questionable practices. This should include a formal ethics policy, and practical mechanisms for confidential and anonymous reporting. Several charter cities had very comprehensive and detailed policies and procedures including definitions of fraud and abuse, clear responsibilities for employees and management personnel, and guidelines and steps for investigating allegations and reporting the results. However, most cities could improve their policies and procedures for reporting fraud, abuse, and questionable practices. The CGJ recommends charter cities consider reviewing and updating policies and pro-

cedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns.

Internal controls are important to safeguard city assets from error, loss, theft, misuse, misappropriation, and fraud. The GFOA recommends internal controls over financial management be documented, provide practical means for employees to report management override of controls, periodic evaluation of internal control procedures, and development of corrective action plans to address identified weaknesses. Two cities had developed comprehensive procedures for internal controls. However, most cities provided no specific documentation of internal control procedures, or made minor mention of internal controls procedures as part of their financial and accounting policies and procedures.

Most cities also relied on their external auditor for internal control reviews during their annual audit. These reviews are typically limited to review of internal controls over financial reporting and compliance, and do not include an opinion on internal controls. Internal controls that ensure there are adequate procedures in place to protect public funds is the responsibility of city financial management. The CGJ recommends charter cities consider reviewing and updating internal control procedures over financial management.

The internal audit function serves as an additional level of control and helps improve the overall control and risk environment. The GFOA recommends every government consider establishing a formal internal audit function that complies with professional auditing standards. Most cities do not have a formal internal audit function. Several state that, given the small size of their city, an internal audit function and staff could not be justified. The CGJ recommends charter cities consider the feasibility of establishing a formal internal audit function.

It is important that city governments formally set aside adequate funds for use in emergencies, revenue shortages, or budget imbalances. The GFOA recommends that cities establish a formal policy on the level of unrestricted fund balance that should be maintained in the general fund, and that this balance should provide no less than two months of regular general fund operating revenues or expenditures. Many charter cities do not have such a policy, and most who do have not established a minimum of two months of regular general fund operating revenues or expenditures. The CGJ recommends charter cities that do not have policies and procedures regarding general fund unrestricted fund balance should consider developing such policies. Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures consider developing such policies.

Financial statements and information provide members of the public with information on how their city is using its resources, as well as the financial stability and health of the city. Ensuring transparency and reliability of financial reporting is a key responsibility of financial management. The GFOA recommends maintaining an adequate accounting

system, issuing timely financial statements and a Comprehensive Annual Financial Report (CAFR) in compliance with standards, and making the information readily accessible to the general public on the city’s website. All cities maintain an adequate accounting system, most issue timely financial statements and a CAFR, and most make the CAFR available on the city website. The CGJ recommends charter cities that have not developed and published a CAFR consider doing so. Charter cities that have not published financial reports on the city’s website should do so.

### **Procurement and Contracting Practices**

The costs of goods and services acquired by procurement and contracting are a substantial expenditure of city resources and generally second only to expenditures for employee salaries and benefits. Protecting city resources requires developing and maintaining adequate policies and procedures for procurement and contracting.

The Public Contract Code defines the requirements for public contracting for public entities, and specifically allows charter cities an exemption if they adopt policies and procedures defining competitive bidding by city charter or code. All charter cities have formally adopted such policies and procedures. These policies and procedures provide exemptions from competitive bidding for emergencies or when items are only available from one source (sole-source). Several cities have not established internal controls over sole-source contracting. The CGJ recommends charter cities that have not developed controls over sole source contracting should consider doing so.

California Government Code §4526 and §4528 require selection of firms providing certain services, including architectural and engineering services, be selected based on demonstrated competence and professional qualifications rather than price. Once the best qualified firm is selected a price that is determined to be fair and reasonable is negotiated. Compliance with these requirements requires specific policies and procedures for selecting firms providing these types or services. The CGJ found two cities that had such policies in place, while most others did not. The CGJ recommends charter cities that have not developed policies and procedures for selecting and negotiating fair prices for architectural and engineering services consistent with State code consider doing so.

Cities issue construction contracts through a competitive process, while construction change orders are typically not competitively bid. Policies and procedures should be documented to ensure fair pricing of change orders and adequate internal controls over contract change orders. Several cities had comprehensive controls over contract change orders, with specific limits on change order amounts and detailed approval steps. No formal policies to ensure fair pricing on change orders were found. The CGJ recommends charter cities that have not developed policies and procedures for ensuring prices negotiated for contract change orders are fair and reasonable, and establishing internal controls over contract change orders consider doing so.

Documentation of the procurement process is necessary to ensure compliance. Contract compliance and oversight is also important to ensure contractors are providing the goods or services they are being paid for. Most cities established a “purchasing officer”

with the responsibility for overseeing the procurement process and ensuring compliance with purchasing requirements. Less than half the cities had adopted policies for providing contract compliance and oversight. The CGJ recommends charter cities that have not developed policies and procedures for documenting compliance with procurement requirements, and providing contract compliance and oversight, consider doing so.

### **Employee Compensation**

Charter cities have the authority and responsibility to determine the appropriate salaries and compensation for its employees. Until recently, there has been a lack of transparency and accountability for actual annual compensation for employees of charter cities. In 2010 media reports alleged that some administrators in Bell and Vernon were receiving disproportionately high compensation. In response to these reports, the State Controller began requiring counties, cities, and special districts to report government compensation to be posted on the Controller's website to promote transparency. The information provided includes the approved salary range, as well as the actual compensation received by each employee as reported to the U.S. Internal Revenue Service. The CGJ recommends city councils and members of the public annually review the actual compensation received by employees of their city. The taxable compensation for charter city positions receiving in excess of \$200,000 in 2011 is listed, by city and position title, in Appendix C of this report.

**INTRODUCTION**

The 2011-2012 Los Angeles County Civil Grand Jury (CGJ) conducted an investigation of the charter cities within the County of Los Angeles, to look at and consider whether the relative autonomy that charter cities are entitled to may lead to abuse in the areas of financial management, procurement and contracting, compensation, and general city governance. The investigation was prompted in part by concerns resulting from recent scandals in such charter cities as Bell and Vernon, where financial mismanagement and lack of transparent government were alleged. In addition, the CGJ felt it important to identify and emphasize best governance practices.

**BACKGROUND**

Within Los Angeles County, 25 of the total 89 cities are classified as charter cities. These cities are:

Alhambra	Arcadia	Bell	Burbank	Cerritos
Compton	Culver City	Downey	Glendale	Industry
Inglewood	Inwindale	Lancaster	Long Beach*	Los Angeles*
Palmdale	Pasadena	Pomona	Redondo Beach	Santa Monica
Signal Hill	Temple City	Torrance	Vernon	Whittier

\*In this report the cities of Los Angeles and Long Beach have been excluded due to their size.

A charter city is formed by the vote of the citizens of an existing city to establish the basic law of the city. The California State Constitution, Article XI Section 3, guarantees to charter cities a large measure of “home rule”. This grants them direct control of local affairs, independent of the State. It is based on the principle that a city, not the state, is in the best position to know what it needs and how to satisfy those needs. Accordingly, charter cities in California are given more authority, autonomy, and flexibility over municipal affairs than are general law cities. A city charter is the city’s constitution, authorized by a vote of its citizens. Exhibit 1 is a detailed overview of the distinctions between charter and general law cities.<sup>1</sup>

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<sup>1</sup>Source: [http://www.cacities.org/resource\\_files/29142.Chart\\_General\\_Law\\_v.\\_Charter\\_Cities-07-26-11.pdf](http://www.cacities.org/resource_files/29142.Chart_General_Law_v._Charter_Cities-07-26-11.pdf)

## **METHODOLOGY**

CGJ members expressed concern about the potential for abuse of charter cities autonomy. The CGJ investigated the fiscal health, as well as the governance, financial management, and procurement and contracting practices of charter cities. Employees with total taxable compensation over \$200,000 for 2011 were also identified.

To conduct this investigation the fiscal year (FY) 2009-2010 Comprehensive Annual Financial Reports (CAFR) and/or basic financial statements for each charter city were obtained and analyzed.

The CGJ reviewed the best practices for the charter cities in the following areas:

- Financial Health
- Governance Practices
- Financial Management Practices,
- Contracting and Procurement
- Employee Compensation

A questionnaire was developed to collect information regarding current practices of the charter cities in response to the categories listed above. The questionnaire requested each city provide copies of documentation supporting their responses, and any comments or additional information.<sup>2</sup>

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<sup>2</sup> See Appendices B and D.

## **FINANCIAL HEALTH**

Charter cities in Los Angeles County, like local governments throughout California and the nation, have been severely impacted by the economic downturn that began in 2008. Property tax revenues received by these cities have declined substantially consistent with the decline in property values and the reduction in the sale and turnover of real property. Sales tax revenues have also declined substantially, with consumers reducing their spending in response to new economic realities and loss of consumer confidence.

At the same time, the cost of funding public pensions for city employees has been impacted as well. The annual cost of pension obligations is partially determined by the earnings of pension funds, primarily the California Public Employees Retirement System (CalPERS). With the economic decline came market corrections and substantial reductions in the investment earnings of CalPERS. This resulted in increased rates and costs for cities to fund their employee pension obligations.

Cities have responded to the economic downturn and have made substantial efforts to reduce costs consistent with reduced revenues. These efforts include hiring and pay freezes for employees, furlough days for existing employees, increased cost to employees for benefits (health care and retirement), and in some cases significant employee layoffs. In other cases cities have also reduced the level of service provided to the community, with reduced hours of operations and reductions for services.

To evaluate the financial health of the charter cities the CGJ obtained and reviewed the Comprehensive Annual Financial Report (CAFR) or basic financial statements for each city for FY 2009-10, the most recent year of audited financial reporting available. The CGJ was able to obtain this information from 22 of the 23 charter cities. The City of Bell is in the process of completing its financial statements and audit for FY 2009-10, and expects it to be available in the Spring of 2012.

The CGJ developed criteria for evaluating the financial health of these cities, and compiled and analyzed the information from the financial statements. The following sections provide the results of this analysis.

### **City Activities – Revenues, Expenditures and Net Revenues**

Most of the charter cities had two primary types of activities: governmental and proprietary or business-type activities. Governmental activities include the core government activities such as government administration, public safety, transportation, community development, and community services. Proprietary or business-type activities typically include operating public utilities (power, water, parking, and refuse collection, etc.) or other non-governmental activities. The CGJ compiled and analyzed information on revenues and expenditures for governmental activities, and for all other activities.

### **Total Funds – Revenues, Expenditures, and Net Revenues**

Budget gaps between receipts and expenditures sometimes exist in any one fiscal year. But cities cannot sustain a pattern of spending more than is received in revenue, and

essentially not living within their means during the fiscal year. Cities must balance their budgets, and they often do so by spending down reserve funds, liquidating city assets, or increasing city debt or liabilities. Cities may have to make even more substantial reductions in city services, or may even face the possibility of insolvency or bankruptcy.

<b>Table 1. Total Revenues, Expenditures and Net Revenues</b>					
<b>Rank</b>	<b>City</b>	<b>Total Revenues</b>	<b>Total Expenditures</b>	<b>Net Total Revenues</b>	<b>Net Revenue %</b>
1	Vernon	\$ 43,977,807	\$ 80,087,633	\$ (36,109,826)	-82.1%
2	Lancaster	\$ 115,563,547	\$ 174,733,808	\$ (59,170,261)	-51.2%
3	Compton	\$ 137,183,571	\$ 184,639,097	\$ (47,455,526)	-34.6%
4	Cerritos	\$ 102,494,642	\$ 125,084,152	\$ (22,589,510)	-22.0%
5	Signal Hill	\$ 31,551,775	\$ 38,286,911	\$ (6,735,136)	-21.3%
6	Whittier	\$ 79,174,360	\$ 95,951,737	\$ (16,777,377)	-21.2%
7	Industry	\$ 202,202,545	\$ 243,484,728	\$ (41,282,183)	-20.4%
8	Inglewood	\$ 156,862,931	\$ 188,615,029	\$ (31,752,098)	-20.2%
9	Pasadena	\$ 306,072,190	\$ 356,586,243	\$ (50,514,053)	-16.5%
10	Glendale	\$ 286,148,000	\$ 332,115,000	\$ (45,967,000)	-16.1%
11	Torrance	\$ 184,251,619	\$ 209,296,279	\$ (25,044,660)	-13.6%
12	Palmdale	\$ 136,008,739	\$ 154,126,410	\$ (18,117,671)	-13.3%
13	Pomona	\$ 181,623,666	\$ 202,575,731	\$ (20,952,065)	-11.5%
14	Redondo Beach	\$ 88,262,501	\$ 97,647,266	\$ (9,384,765)	-10.6%
15	Downey	\$ 81,477,000	\$ 89,699,000	\$ (8,222,000)	-10.1%
16	Irwindale	\$ 42,452,890	\$ 46,310,082	\$ (3,857,192)	-9.1%
17	Alhambra	\$ 78,781,555	\$ 83,072,781	\$ (4,291,226)	-5.4%
18	Culver City	\$ 121,253,707	\$ 127,236,249	\$ (5,982,542)	-4.9%
19	Santa Monica	\$ 424,129,802	\$ 430,635,297	\$ (6,505,495)	-1.5%
20	Arcadia	\$ 60,496,049	\$ 60,709,088	\$ (213,039)	-0.4%
21	Burbank	\$ 523,253,000	\$ 515,911,000	\$ 7,342,000	1.4%
22	Temple City	\$ 16,057,498	\$ 15,720,319	\$ 337,179	2.1%
	<b>Average</b>				<b>-17.4%</b>

Notes: Information obtained from each city's Comprehensive Annual Financial Report (CAFR) or Basic Financial Statements for Fiscal Year 2010, the most recent available. Financial statements for the City of Bell have not been completed and were not available at the date of publication.

Table 1 shows that, 20 of the 22 charter cities expended more on all activities (Governmental and Business) during fiscal 2009-10 than revenue received. The cities of Vernon, Lancaster, and Compton spent the most in excess of revenues. Only two cities, Burbank and Temple City, expended less than revenue received. On average, cities expended just over 17% more than revenue received in FY 2010.

## General Fund - Revenues, Expenditures, and Net Revenues

Each city's general fund is used to provide resources for basic city services, including police, fire, parks, library, and administrative support services. When expenditures exceed revenues, a city's ability to provide these essential services in the future may be at risk, and it may have to make additional reductions in these key city services.

<b>Table 2. General Fund Revenues, Expenditures and Net Revenues</b>					
<b>Rank</b>	<b>City</b>	<b>General Fund Revenues</b>	<b>General Fund Expenditures</b>	<b>GF Net Revenue</b>	<b>GF Net Revenue %</b>
1	Vernon	\$ 18,353,768	\$ 51,732,177	\$ (33,378,409)	-181.9%
2	Palmdale	\$ 43,541,816	\$ 66,216,488	\$ (22,674,672)	-52.1%
3	Lancaster	\$ 42,969,083	\$ 53,481,380	\$ (10,512,297)	-24.5%
4	Inglewood	\$ 75,253,765	\$ 93,057,071	\$ (17,803,306)	-23.7%
5	Signal Hill	\$ 13,418,856	\$ 16,107,495	\$ (2,688,639)	-20.0%
6	Glendale	\$ 129,834,000	\$ 154,128,000	\$ (24,294,000)	-18.7%
7	Compton	\$ 61,152,456	\$ 70,002,992	\$ (8,850,536)	-14.5%
8	Burbank	\$ 130,620,000	\$ 148,375,000	\$ (17,755,000)	-13.6%
9	Culver City	\$ 66,086,224	\$ 71,403,249	\$ (5,317,025)	-8.0%
10	Irwindale	\$ 16,951,654	\$ 18,211,504	\$ (1,259,850)	-7.4%
11	Pomona	\$ 78,572,894	\$ 84,315,931	\$ (5,743,037)	-7.3%
12	Alhambra	\$ 48,203,884	\$ 50,825,010	\$ (2,621,126)	-5.4%
13	Arcadia	\$ 46,005,476	\$ 48,319,823	\$ (2,314,347)	-5.0%
14	Santa Monica	\$ 252,085,550	\$ 261,076,234	\$ (8,990,684)	-3.6%
15	Downey	\$ 63,534,000	\$ 65,389,000	\$ (1,855,000)	-2.9%
16	Torrance	\$ 141,462,192	\$ 143,303,309	\$ (1,841,117)	-1.3%
17	Redondo Beach	\$ 66,555,676	\$ 66,939,579	\$ (383,903)	-0.6%
18	Whittier	\$ 55,696,839	\$ 53,060,929	\$ 2,635,910	4.7%
19	Pasadena	\$ 194,413,346	\$ 183,451,992	\$ 10,961,354	5.6%
20	Temple City	\$ 10,410,925	\$ 9,790,629	\$ 620,296	6.0%
21	Cerritos	\$ 61,107,599	\$ 56,870,700	\$ 4,236,899	6.9%
22	Industry	\$ 59,005,858	\$ 34,954,708	\$ 24,051,150	40.8%
	<b>Average</b>				<b>-14.8%</b>

Notes: Information obtained from each city's Comprehensive Annual Financial Report (CAFR) or Basic Financial Statements for Fiscal Year 2010, the most recent available. Financial statements for the City of Bell have not been completed and were not available at the date of publication.

As Table 2 shows, 17 of the 22 charter cities expended more on general fund governmental activities during fiscal year 2009-10 than revenues received. Other cities: Vernon, Palmdale, Lancaster, Inglewood, and Signal Hill, all spent 20% or more than revenue received. The City of Vernon spent nearly 182% more. Only five cities: Whittier, Pasadena, Temple City, Cerritos and Industry, expended less than revenue received. On average, cities expended nearly 15% more than revenue received for governmental activities.

### **City Fund Balances – Assets, Liabilities, and Net Assets**

City assets include funds available for operations, as well as the value of any capital assets such as land, buildings and improvements, machinery and equipment, and infrastructure.

Liabilities include accounts payable and long-term debt such as bonds, certificates of participation, pension obligations, and insurance claims.

### **Total Funds – Change in Net Assets**

Net assets are the total city assets less total city liabilities. Ideally, city net assets would be stable or increasing. Declining net assets indicate cities are spending down their assets in order to meet current financial obligations.

A positive percentage change in total net assets indicates that the city's financial position is improving, while a negative percentage change indicates that the city's financial position is deteriorating.

As Table 3 shows, 14 of the 22 charter cities net assets declined during Fiscal Year 2009-10. While most cities' net assets declined less than 5%, Compton, Vernon, Inglewood, and Pomona had more substantial declines. The City of Compton's net assets declined nearly 23%. The average decline in net assets was 3%.

<b>Table 3. Change in Net Assets</b>					
<b>Rank</b>	<b>City</b>	<b>Beginning Net Assets</b>	<b>Ending Net Assets</b>	<b>Change in Net Assets</b>	<b>% Change in Net Assets</b>
1	Compton	\$ 110,205,422	\$ 85,067,960	\$ (25,137,462)	-22.8%
2	Vernon	\$ 239,612,093	\$ 201,108,074	\$ (38,504,019)	-16.1%
3	Inglewood	\$ 249,452,636	\$ 221,790,427	\$ (27,662,209)	-11.1%
4	Pomona	\$ 288,760,419	\$ 265,701,880	\$ (23,058,539)	-8.0%
5	Cerritos	\$ 343,620,750	\$ 327,513,340	\$ (16,107,410)	-4.7%
6	Culver City	\$ 212,880,609	\$ 204,307,393	\$ (8,573,216)	-4.0%
7	Irwindale	\$ 133,403,988	\$ 128,399,144	\$ (5,004,844)	-3.8%
8	Downey	\$ 299,483,000	\$ 291,298,000	\$ (8,185,000)	-2.7%
9	Torrance	\$ 424,103,515	\$ 415,797,638	\$ (8,305,877)	-2.0%
10	Signal Hill	\$ 60,806,225	\$ 60,059,575	\$ (746,650)	-1.2%
11	Santa Monica	\$ 1,540,899,980	\$ 1,535,362,226	\$ (5,537,754)	-0.4%
12	Palmdale	\$ 732,914,844	\$ 731,360,888	\$ (1,553,956)	-0.2%
13	Lancaster	\$ 898,823,975	\$ 897,375,524	\$ (1,448,451)	-0.2%
14	Arcadia	\$ 199,298,453	\$ 199,030,502	\$ (267,951)	-0.1%
15	Glendale	\$ 1,653,026,000	\$ 1,654,023,000	\$ 997,000	0.1%
16	Redondo Beach	\$ 214,760,352	\$ 215,266,893	\$ 506,541	0.2%
17	Burbank	\$ 1,362,879,000	\$ 1,370,221,000	\$ 7,342,000	0.5%
18	Whittier	\$ 222,793,005	\$ 225,081,443	\$ 2,288,438	1.0%
19	Temple City	\$ 56,347,937	\$ 57,233,673	\$ 885,736	1.6%
20	Pasadena	\$ 1,002,103,194	\$ 1,040,238,519	\$ 38,135,325	3.8%
21	Industry	\$ 556,577,109	\$ 581,342,798	\$ 24,765,689	4.4%
22	Alhambra	\$ 156,455,154	\$ 163,529,822	\$ 7,074,668	4.5%
	<b>Average</b>				<b>-2.8%</b>

Notes: Information obtained from each city's Comprehensive Annual Financial Report (CAFR) or Basic Financial Statements for Fiscal Year 2010, the most recent available. Financial statements for the City of Bell have not been completed and were not available at the date of publication.

**General Fund – Change in General Fund Balance**

Only general fund balance can be used for the general operations of the cities, since other funds are restricted for designated use or only reflect the value of the city’s fixed assets of land, buildings etc., and are not available for the city’s operational needs.

A positive percentage change indicates that the city’s general fund financial position is improving, while a negative percentage change indicates that the city’s financial position is deteriorating.

As Table 4 shows, 17 of the 22 charter cities’ general fund balances declined during Fiscal Year 2009-10. Compton, Inglewood, and Pomona had substantial declines. The City of Compton general fund balance went from a negative \$2.6 million to a negative \$14.6 million, a decline of 465%. The average decline in net assets was 20%.

<b>Table 4. Change in General Fund Balance</b>					
<b>Rank</b>	<b>City</b>	<b>Beginning GF Balance</b>	<b>Ending GF Balance</b>	<b>Change in GF Balance</b>	<b>% Change in GF Balance</b>
1	Compton	\$ (2,586,510)	\$ (14,607,702)	\$ (12,021,192)	-465%
2	Inglewood	\$ 35,194,792	\$ 16,879,802	\$ (18,314,990)	-52%
3	Pomona	\$ 8,796,614	\$ 6,535,641	\$ (2,260,973)	-26%
4	Palmdale	\$ 28,135,502	\$ 23,476,666	\$ (4,658,836)	-17%
5	Whittier	\$ 42,582,574	\$ 36,375,616	\$ (6,206,958)	-15%
6	Torrance	\$ 58,748,360	\$ 51,212,447	\$ (7,535,913)	-13%
7	Pasadena	\$ 60,383,043	\$ 53,177,187	\$ (7,205,856)	-12%
8	Alhambra	\$ 9,111,184	\$ 8,080,126	\$ (1,031,058)	-11%
9	Lancaster	\$ 86,184,043	\$ 76,668,663	\$ (9,515,380)	-11%
10	Signal Hill	\$ 27,445,377	\$ 24,525,625	\$ (2,919,752)	-11%
11	Downey	\$ 24,740,000	\$ 23,119,000	\$ (1,621,000)	-7%
12	Irwindale	\$ 29,280,183	\$ 27,375,796	\$ (1,904,387)	-7%
13	Burbank	\$ 115,307,000	\$ 108,520,000	\$ (6,787,000)	-6%
14	Arcadia	\$ 26,586,680	\$ 25,198,726	\$ (1,387,954)	-5%
15	Glendale	\$ 125,663,000	\$ 120,471,000	\$ (5,192,000)	-4%
16	Culver City	\$ 40,520,291	\$ 38,893,637	\$ (1,626,654)	-4%
17	Redondo Beach	\$ 10,025,322	\$ 9,894,077	\$ (131,245)	-1%
18	Temple City	\$ 24,615,597	\$ 24,700,378	\$ 84,781	0%
19	Cerritos	\$ 181,445,052	\$ 183,100,074	\$ 1,655,022	1%
20	Santa Monica	\$ 196,954,230	\$ 215,470,696	\$ 18,516,466	9%
21	Industry	\$ 185,675,395	\$ 204,929,546	\$ 19,254,151	10%
22	Vernon	\$ 4,640,434	\$ 14,097,228	\$ 9,456,794	204%
	<b>Average</b>				<b>-20%</b>

Notes: Information obtained from each city's Comprehensive Annual Financial Report (CAFR) or Basic Financial Statements for Fiscal Year 2010, the most recent available. Financial statements for the City of Bell have not been completed and were not available at the date of publication.

**Total Funds – Ratio of Total Assets to Total Liabilities**

The ratio of assets to liabilities indicates the city’s solvency and ability to meet long-term obligations, including financial obligations to creditors, employees, taxpayers, and suppliers, as well as its service obligations to its residents. Ideally, cities would, at minimum, have twice as many assets as liabilities. This would give them an asset to liability ratio of 2.0 or better to meet future obligations.

As Table 5 shows, 7 of the 22 charter cities’ ratios of total assets to total liabilities were less than 2.0. The cities of Compton, Vernon, Pomona, Signal Hill, Inglewood, Industry, and Culver City all had ratios below 2.0. The City of Compton’s ratio was the lowest at 1.24. This indicates that several cities’ solvency may be at risk, as may also be their ability to meet future obligations.

<b>Table 5. Ratio of Total Assets to Total Liabilities</b>					
<b>Rank</b>	<b>City</b>	<b>Total Assets</b>	<b>Total Liabilities</b>	<b>Net Assets</b>	<b>Assets/ Liabilities</b>
1	Compton	\$ 436,026,358	\$ 350,958,398	\$ 85,067,960	1.24
2	Vernon	\$ 838,968,440	\$ 637,860,366	\$ 201,108,074	1.32
3	Pomona	\$ 812,143,891	\$ 546,442,011	\$ 265,701,880	1.49
4	Signal Hill	\$ 174,713,295	\$ 114,653,720	\$ 60,059,575	1.52
5	Inglewood	\$ 572,555,974	\$ 350,765,547	\$ 221,790,427	1.63
6	Industry	\$ 1,336,990,674	\$ 755,647,876	\$ 581,342,798	1.77
7	Culver City	\$ 441,596,277	\$ 237,288,884	\$ 204,307,393	1.86
8	Pasadena	\$ 1,949,898,673	\$ 909,660,154	\$ 1,040,238,519	2.14
9	Irwindale	\$ 234,197,579	\$ 105,798,435	\$ 128,399,144	2.21
10	Alhambra	\$ 284,392,554	\$ 120,862,732	\$ 163,529,822	2.35
11	Cerritos	\$ 516,513,081	\$ 188,999,741	\$ 327,513,340	2.73
12	Whittier	\$ 347,583,150	\$ 122,501,707	\$ 225,081,443	2.84
13	Torrance	\$ 629,302,119	\$ 213,504,481	\$ 415,797,638	2.95
14	Palmdale	\$ 1,004,795,569	\$ 273,434,681	\$ 731,360,888	3.67
15	Burbank	\$ 1,860,024,000	\$ 489,803,000	\$ 1,370,221,000	3.80
16	Lancaster	\$ 1,208,857,934	\$ 311,482,410	\$ 897,375,524	3.88
17	Downey	\$ 385,362,000	\$ 94,064,000	\$ 291,298,000	4.10
18	Glendale	\$ 2,179,448,000	\$ 525,425,000	\$ 1,654,023,000	4.15
19	Redondo Beach	\$ 276,492,991	\$ 61,226,098	\$ 215,266,893	4.52
20	Santa Monica	\$ 1,897,804,611	\$ 362,442,385	\$ 1,535,362,226	5.24
21	Arcadia	\$ 237,019,926	\$ 37,989,424	\$ 199,030,502	6.24
22	Temple City	\$ 68,117,230	\$ 10,883,557	\$ 57,233,673	6.26
	<b>Average</b>				<b>3.09</b>

Notes: Information obtained from each city's Comprehensive Annual Financial Report (CAFR) or Basic Financial Statements for Fiscal Year 2010, the most recent available. Financial statements for the City of Bell have not been completed and were not available at the date of publication.

### **General Fund Government Activities - Ratio of Total Assets to Total Liabilities**

Cities would ideally have a similar ratio of total assets to total liabilities related to governmental activities, with a minimum of twice as many assets as liabilities and an asset to liability ratio of 2.0 or better.

As Table 6 shows, 6 of the 22 charter cities' ratios of total assets to total liabilities for governmental activities were less than 2.0. The cities of Compton, Signal Hill, Pomona, Inglewood, Culver City, and Industry all had ratios below 2.0. The City of Compton ratio was the lowest at 1.29.

<b>Table 6. Governmental Activities - Ratio of Total Assets to Total Liabilities</b>					
<b>Rank</b>	<b>City</b>	<b>Total Assets</b>	<b>Total Liabilities</b>	<b>Net Assets</b>	<b>Assets/ Liabilities</b>
1	Compton	\$ 357,732,854	\$ 276,747,259	\$ 80,985,595	1.29
2	Signal Hill	\$ 143,828,512	\$ 106,263,834	\$ 37,564,678	1.35
3	Pomona	\$ 558,456,055	\$ 391,687,435	\$ 166,768,620	1.43
4	Inglewood	\$ 530,827,351	\$ 347,338,711	\$ 183,488,640	1.53
5	Culver City	\$ 339,243,877	\$ 210,433,914	\$ 128,809,963	1.61
6	Industry	\$ 1,296,047,690	\$ 755,244,767	\$ 540,802,923	1.72
7	Vernon	\$ 167,702,386	\$ 83,983,725	\$ 83,718,661	2.00
8	Pasadena	\$ 772,807,078	\$ 381,252,334	\$ 391,554,744	2.03
9	Alhambra	\$ 212,742,506	\$ 102,085,086	\$ 110,657,420	2.08
10	Irwindale	\$ 234,197,579	\$ 105,798,435	\$ 128,399,144	2.21
11	Torrance	\$ 462,455,632	\$ 202,109,508	\$ 260,346,124	2.29
12	Cerritos	\$ 476,058,643	\$ 187,631,823	\$ 288,426,820	2.54
13	Whittier	\$ 260,695,917	\$ 80,253,888	\$ 180,442,029	3.25
14	Palmdale	\$ 1,004,795,569	\$ 273,434,681	\$ 731,360,888	3.67
15	Lancaster	\$ 1,208,857,934	\$ 311,482,410	\$ 897,375,524	3.88
16	Downey	\$ 325,355,000	\$ 83,189,000	\$ 242,166,000	3.91
17	Arcadia	\$ 141,318,700	\$ 35,740,759	\$ 105,577,941	3.95
18	Glendale	\$ 1,268,829,000	\$ 313,672,000	\$ 955,157,000	4.05
19	Santa Monica	\$ 1,301,963,323	\$ 311,495,075	\$ 990,468,248	4.18
20	Redondo Beach	\$ 200,849,746	\$ 47,119,694	\$ 153,730,052	4.26
21	Burbank	\$ 1,282,849,000	\$ 294,991,000	\$ 987,858,000	4.35
22	Temple City	\$ 68,117,230	\$ 10,883,557	\$ 57,233,673	6.26
	<b>Average</b>				<b>2.90</b>

Notes: Information obtained from each city's Comprehensive Annual Financial Report (CAFR) or Basic Financial Statements for Fiscal Year 2010, the most recent available. Financial statements for the City of Bell have not been completed and were not available at the date of publication.

The current financial health of charter cities is largely due to the economic downturn that began in 2008 and continues. However, the overall governance and management practices of each city contributed to how well prepared each city was for this downturn, and how effectively each has responded. The following sections of the report present information on best practices for local governments in the areas of governance, financial management, and procurement and contracting.

**FINDINGS – FINANCIAL HEALTH**

1. Most charter cities expended more than they received in revenues during FY 2010.
2. Most charter cities’ total net assets and general fund balances declined during FY 2010, and several charter cities’ ratios of total net assets to total liabilities are lower than desirable.

**BEST PRACTICES**

1. All charter cities should adopt financial planning, revenue and expenditure policies to guide cities’ officials to develop sustainable, balanced budgets.
2. All charter cities should develop a balanced budget and commit to operate within the budget constraints.
3. All charter cities should commit to not using one-time revenues to fund recurring or on-going expenditures.
4. All charter cities should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.
5. All charter cities should adopt a method and practice of saving into a reserve or “rainy day” fund to be supplement operating revenue in years of short fall.

## **GOVERNANCE PRACTICES**

“Governance” describes the role of a board or city council in providing leadership for an organization. Governance generally includes responsibility for providing the overall direction for the organization, making key decisions for the organization through policy, and overseeing the organization’s performance. Key tools of effective governance include strategic planning and management, including performance measurement and monitoring. The city council in each charter city is responsible for governing the organization.

The quality of the leadership of an organization, more than any other factor, determines its performance and effectiveness. An organization with poor leadership often finds itself mired in persistent issues, with little forward progress or resolution. Real issues and challenges go unaddressed and members of the organization become confused about the purpose of the organization and their own roles in it. In contrast, an organization with effective leadership prepares for and quickly resolves issues and challenges, provides clarity of direction and roles and establishes real accountability for the organization.

### **Strategic Planning**

Strategic planning is a disciplined effort to produce fundamental decisions and shape and guide what an organization is, what it does and why it does it. When the strategic plan is linked to operations, all groups in the organization have a clear understanding of its purpose, the strategies used to achieve that purpose and the progress being achieved.

The role of any city council or board is to provide strategic focus and direction for the organization and to ensure decisions support the focus and direction. Oversight is also an important function for any board, ensuring that organizational activities are consistent with legal requirements and its own policies and procedures. Since the city council of each city controls the focus and direction of the organization, the risks posed by ineffective leadership, decision-making and oversight are substantial.

<b>Table 7. Strategic Planning</b>							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	<b>No</b>	Yes	Yes	Yes	<b>No</b>	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	<b>No</b>	<b>No</b>	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	Yes	

As shown in Table 7, most charter cities (19 yes, 4 no) responded that they developed and adopted a strategic plan that articulates the mission, vision, core values and priorities (goals and objectives) for their city. The CGJ asked each city to provide a copy of its strategic plan. In the CGJ’s review of this documentation and comments provided by the cities, the CGJ found that several cities had developed and adopted comprehensive strategic plans. For example, the City of Burbank developed a strategic plan entitled “Our Plan, Our Future, Our Burbank – A Strategic 10 Year Plan for the City of Burbank 2011-2021.” This plan presents a very well structured mission, goals, and specific objectives. Torrance developed a similarly comprehensive strategic plan. These strategic plans provide appropriate strategic focus and direction for these cities.

Other cities developed mission, vision, core values and goals through regular facilitated strategic planning sessions with their city council. These strategic planning efforts include assessments of the city’s strengths, weaknesses, opportunities, and threats (SWOT), and included identification of specific strategies and initiatives with responsibility for completion and completion timelines. Many of these cities conduct follow-up sessions every six months to monitor and evaluate progress and any changes in priorities. These strategic plans also provide appropriate strategic focus and direction for these cities.

Several cities responded that they had developed and adopted strategic plans provided documentation of annual or biennial budget goals adopted. While these are important for the budget, they are typically focused on the short term, and do not provide the appropriate strategic focus and direction for these cities as would be accomplished through a strategic planning effort.

**Performance Measurement**

Performance measures should generally be quantified to allow for comparison of performance from year to year.

Performance measurement and reporting demonstrates the success or effectiveness of organizational or program activities in addressing a specific need or attaining a specific goal. A meaningful performance measurement framework includes a balanced set of indicators, ensures the collection of sound and reliable indicator data, provides for the

analysis and reporting of indicator information, and drives service improvement efforts and the testing of new initiatives.

Table 8. Performance Measures							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	No	No	Yes	Yes	No	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	No	No	Yes	No	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	No	Yes	Yes	Yes	

As shown in Table 8, most of the cities (16 yes, 7 no) responded that their city council had adopted performance measures, or indicators, to evaluate outcomes or progress on priorities. The CGJ asked each city to provide copies of their performance measures or indicators. In reviewing this supporting documentation and comments provided by the cities the CGJ found several cities had developed performance indicators tied directly to the strategic goals adopted by the city council. For example, the City of Burbank identified and reported on performance indicators for each of their strategic goals. These performance indicators were focused on the outcomes or results achieved, were quantified, and reporting included three years of information to allow evaluation of progress made toward each strategic objective. The City of Glendale had similar performance indicator information.

Several cities that responded they had developed and reported on performance measures did not provide any documentation on performance measures. Other cities performance information was not quantified, or was focused on activities or workload with little or no information on results or outcomes.

### Role Definition – Council and Executive Relationships

The city council or board’s role should be to provide policy direction and oversight. Effective governance requires that formal structures and practices define how the city council or board carries out its duties. Many boards develop and document oversight, bylaws, policies and procedures that clearly define the specific role of the board and board members and what actions are appropriate in specific situations. Specific areas in which policies are most often needed include the role of city council members and the executive and the relationship between the board and management.

City council boards and organizations operate most effectively when there is a clear definition and understanding of the city council or board’s role, management’s role and the line between the two. The city council’s role should be to provide policy direction and oversight and management’s role is to execute that direction. The most effective organ-

izations have unified commands, meaning direction is provided from only a single source.

It is also important for city councils and members to recognize that their authority only exists when acting as a body. Individual members of a city council have no authority to make decisions or direct the city’s management or city staff. Only decisions and directives of the city council, acting as a whole, are authoritative and binding.

A key role of each city council is providing clear direction to the city’s executive (city manager or city administrator). This clear direction should establish specific expectations for the executive and should consist of specific goals and objectives to be accomplished within specific timeframes. Equally important is for the city council to evaluate the performance of the city’s executive, providing meaningful feedback on how well expectations are being met. These evaluations should be accomplished routinely and within specific timeframes. The managements’ role is to execute direction set by the city council.

Table 9. Role Definition							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
No response	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	Yes	

As shown in Table 9, most of the cities (22 yes, 0 no, 1 no response) responded that they have a formal policy, agreement, or other document that clearly defines the roles of the city council and the city’s executive (city manager or city administrator). The CGJ asked each city to provide a copy of the formal policy defining roles. In reviewing this documentation and comments provided by the city, the CGJ found all cities had defined the basic qualifications, powers and duties for both the city council and the city’s executive in either the city’s charter, municipal code, or both. These policies provide a solid legal foundation for the relationship between the two.

**Executive Role**

Boards should go beyond this basic framework and develop a more detailed description of the relationship and working approach of the executive and council.

Some city council boards have developed, adopted, and frequently amend a comprehensive governance policy that defines the governance process, and defines the working relationship between the city council, executive, and staff. While not required, this more extensive governance framework can improve the cohesion and effectiveness of both the city council and the executive.

The CGJ requested the specific goals established most recently for their city manager or city administrator. In reviewing this documentation and comments provided by each city the CGJ found that the City of Burbank had developed very specific goals for the city manager for FY 2010-11. These goals were specific expectations for the city manager only. Other cities established goals for their city manager as part of the strategic planning efforts, the budget document, or the city manager’s budget message. Several cities reported that the goals for the city manager were part of the performance evaluation process and were appropriately considered confidential.

Table 10. Executive Goals							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	No	Yes	Yes	No	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	No	No	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	Yes	

As shown in Table 10, most of the cities (19 yes, 4 no) also responded that their city council established specific goals for the executive at least annually.

Table 11. Executive Evaluation							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
No	Yes	No	Yes	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	No	Yes	Yes	No	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	Yes	

As shown in Table 11, most of the cities (19 yes, 4 no) also responded that their city council conducts a meaningful evaluation of the executive’s performance at least annually.

### Council Adopted Policies

Other areas in which policies are most often needed include Conflict of Interest and Investment policies. Transparency in public decision-making is essential. Members of the public served by each city must be able to rely on their representatives to be working in their best interest.

California Government Code §81000, et seq. (“Political Reform Act”), requires every state and local government agency to adopt a conflict of interest code. The Political Reform Act further requires every agency to review its conflict of interest code biennially to determine if it is accurate or whether that code must be amended. The conflict of interest code must be amended when necessitated by changed circumstances.

California Government Code §53646 requires the city council of each charter city to annually consider and adopt an investment policy. The investment policy is intended to outline the policies for maximizing the efficiency of the city's cash management system, the prudent investment of the city's funds, and to provide guidelines for suitable investments. The primary goals of the investment policy are to ensure compliance with the law; provide protection of principal; maintain liquidity; and maximize investment income to enhance the economic status of the city.

Table 12. Conflict of Interest							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	Yes	<b>No</b>	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	Yes	

As shown in Table 12, all but one of the cities (22 yes, 1 no) responded that their city council adopted and enforces a formal conflict of interest policy. The CGJ requested each city provide a copy of the adopted conflict of interest policy. In reviewing this documentation and the comments provided by each city, the CGJ found that 22 of the charter cities had formally adopted a conflict of interest code by resolution or ordinance as required. One city, Inglewood, had developed a draft conflict of interest code for council adoption.

<b>Table 13. Investment Policy</b>							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	Yes	

As shown in Table 13, all of the cities (23 yes, 0 no) responded that they had adopted an investment policy. The CGJ requested each city provide a copy of the adopted investment policy. In reviewing this documentation the CGJ found all cities had adopted an investment policy as required.

**FINDINGS – GOVERNANCE PRACTICES**

1. Strategic plans varied in providing appropriate strategic focus and direction for charter cities.
2. Many charter cities have not developed an effective performance and reporting measurement that demonstrates the success of their organizational activities and goals.
3. All charter cities stated they have a formal policy agreement, or other documents that define the roles of city council and chief executive (city manager or city executive).
4. Most charter cities (city council) established specific goals for executives at least annually.
5. All but one city adopted a conflict of interest code.
6. All cities stated they had adopted an investment policy.

**BEST PRACTICES**

1. All charter cities should develop and adopt a strategic plan that articulates the mission, vision, core values and priorities (goals and objectives) for the city.
2. All charter cities should develop and report on performance measures or indicators to evaluate outcomes or progress on priorities. These performance measures should be quantified, focused on outcomes or results, and information should be provided for several years to allow evaluation of progress over time.
3. All charter city councils should develop a governance policy that specifically defines the relationship between the council and executive. Charter city councils should develop specific annual goals for the city's executive (city manager or city administrator) and conduct meaningful evaluations annually.

## **FINANCIAL MANAGEMENT PRACTICES**

The role and responsibility of financial management within each city is to manage and protect the financial resources and assets of the city. This includes planning, organizing, directing and controlling the financial activities of the city. It also requires establishing adequate systems of internal controls to ensure funds are used for their intended purposes. The transparency and reliability of financial reporting is also key, ensuring that such reporting is consistent with appropriate standards.

The Government Finance Officers Association (GFOA) is the association for public sector financial management professionals. Its purpose is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and best practices and promoting their use through education, training, facilitation of member networking, and leadership.

Beginning in 1993 the GFOA began to develop a body of recommended practices in the functional areas of public finance to give GFOA members and other state and local governments more guidance on sound financial management practices. These recommended practices served as the basis for evaluating the financial management practices of the charter cities discussed in the following sections.

### **Audit Committee**

The audit committee can provide a forum for auditors and other interested parties to candidly discuss concerns separate from the management of the city.

The responsibility for the quality of financial reporting by cities is shared by three groups: the city council (governing board), finance department management, and the independent auditor. Of these three, the city council is in the unique position of being the ultimate monitor of the financial reporting process. An audit committee is a practical approach for the city council to provide independent review and oversight of the city's financial reporting processes, internal controls, and independent auditors.

The audit committee can also provide a forum for auditors and other interested parties to candidly discuss concerns separate from the management of the city. An effective audit committee helps ensure management develops and follows a sound system of internal controls; procedures are in place to objectively assess practices; and independent auditors objectively assess financial reporting practices.

The following are excerpts from the GFOA recommended best practice regarding audit committees:<sup>3</sup>

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<sup>3</sup> GFAO Best Practices and Advisories website  
[http://www.gfoa.org/index.php?option=com\\_content&task=view&id=118&Itemid=130](http://www.gfoa.org/index.php?option=com_content&task=view&id=118&Itemid=130)

The governing body of every state and local government should establish an audit committee or its equivalent;

The audit committee should be formally established by charter, enabling resolution, or other appropriate legal means and made directly responsible for the appointment, compensation, retention, and oversight of the work of any independent accountants engaged for the purpose of preparing or issuing an independent audit report or performing other independent audit, review, or attest services. Likewise, the audit committee should be established in such a manner that all accountants thus engaged report directly to the audit committee. The written documentation establishing the audit committee should prescribe the scope of the committee’s responsibilities, as well as its structure, processes, and membership requirements. The audit committee should itself periodically review such documentation, no less than once every five years, to assess its continued adequacy;

**Formal Audit Committee**

Table 14. Formal Audit Committee							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
No	No	No	Yes	No	No	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	No	No	No	Yes	No	Yes	No
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	No	No	No	No	Yes	No	

As shown in Table 14, most charter cities (8 yes, 15 no) responded that no audit committee had been established by the city. The CGJ requested each city provide a copy of the formal document establishing the audit committee. In reviewing this supporting documentation and comments provided by each city, the CGJ found several cities had formally established an audit committee. Redondo Beach established an audit committee as a standing committee in 2008. The Pasadena City Charter formally gives the finance committee the responsibility to perform the functions of an audit committee. Burbank also has an audit committee of the city council, which reviews and approves all financial audit services. Lancaster has appointed one member of the city council as the “audit representative” and considers that to be an audit committee.

Other cities stated that the audit committee responsibilities were assigned to other committees of the city council, such as the finance or budget committee. Glendale has an audit committee of members of the community rather than members of the city council. For other cities the audit committee is a function of management, with members from the finance department and other areas of the city government.

Only the cities of Glendale and Pasadena had a formal audit committee, and each responded that the committee was directly responsible for the work of the independent auditor.

### **Audit Procurement**

Independent audits play a key role in preserving the integrity of public finance functions and maintaining public confidence in city government.

Each of the charter cities is required by its charter to have an independent audit performed annually by external accountants. The selection of the independent auditor is an important element of ensuring an independent and quality audit. This includes ensuring the selected auditor meets standards for independence, is selected competitively, and provision of non-audit services by the auditor are carefully reviewed and approved.

The following are excerpts from the GFOA recommended best practice regarding audit procurement:

Governmental entities should require in their audit contracts that the auditors of their financial statements conform to the independence standard promulgated in the General Accounting Office's Government Auditing Standards even for audit engagements that are not otherwise subject to generally accepted government auditing standards.

Governmental entities should enter into multiyear agreements of at least five years in duration when obtaining the services of independent auditors. Such multiyear agreements can take a variety of different forms (e.g., a series of single-year contracts), consistent with applicable legal requirements. Such agreements allow for greater continuity and help to minimize the potential for disruption in connection with the independent audit. Multiyear agreements can also help to reduce audit costs by allowing auditors to recover certain "startup" costs over several years, rather than over a single year.

Governmental entities should undertake a full-scale competitive process for the selection of independent auditors at the end of the term of each audit contract, consistent with applicable legal requirements. Ideally, auditor independence would be enhanced by a policy requiring that the independent auditor be replaced at the end of the audit contract, as is often the case in the private sector. Unfortunately, the frequent lack of competition among audit firms fully qualified to perform public-sector audits could make a policy of mandatory auditor rotation counterproductive. In such cases, it is recommended that a governmental entity actively seek the participation of all qualified firms, including the current auditors, assuming that the past performance of the current auditors has proven satisfactory. Except in cases where a multiyear agreement has taken the form of a series of single-year contracts, a contractual provision for the automatic renewal of the audit contract (e.g., an automatic second term for the auditor upon satisfactory performance) is inconsistent with this recommendation.

Professional standards allow independent auditors to perform certain types of non-audit services for their audit clients. Any significant nonaudit services should always be approved in advance by a governmental entity’s audit committee. Furthermore, governmental entities should routinely explore the possibility of alternative service providers before making a decision to engage their independent auditors to perform significant nonaudit services.

The audit procurement process should be structured so that the principal factor in the selection of an independent auditor is the auditor’s ability to perform a quality audit. In no case should price be allowed to serve as the sole criterion for the selection of an independent auditor.<sup>4</sup>

Table 15. Independent Standards							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	Yes	

As shown in Table 15, all charter cities (23 yes, 0 no) responded that audit contracts require auditors of financial statements conform with independence standards. The CGJ obtained the audited financial statements for each city for FY 2009-10, the most recent available. In reviewing this supporting documentation and comments provided by each city the CGJ found that all independent audit reports included statements of compliance with auditing standards, including standards of independence.

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<sup>4</sup>[http://www.gfoa.org/index.php?option=com\\_content&task=view&id=118&Itemid=130](http://www.gfoa.org/index.php?option=com_content&task=view&id=118&Itemid=130)

Table 16. Competitive Process for Auditor Selection							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	<b>No</b>	Yes	<b>No</b>	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	<b>No</b>	

As shown in Table 16, most charter cities (20 yes, 3 no) responded that independent auditors were selected through a competitive process. The CGJ requested each city provide copies of formal policies related to audit procurement. In reviewing this supporting documentation and comments provided by each city, the CGJ found that most issue a Request for Proposals (RFPs) for audit services, typically with a term of up to five years.

Table 17. Auditor Replaced at End of Term							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	<b>No</b>	<b>No</b>	<b>No</b>	Yes	<b>No</b>	<b>No</b>	

As shown in Table 17, most charter cities (4 yes, 19 no) do not require their auditor to be replaced at the end of the contract term. At the end of the term a new RFP is issued for audit services, with the current auditor allowed to compete for the next audit contract.

<b>Table 18. Non-Audit Services</b>							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
<b>No</b>	Yes	<b>No</b>	Yes	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	<b>No</b>	Yes	<b>No</b>	<b>No</b>	Yes	<b>No</b>	<b>No</b>
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
<b>No</b>	Yes	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	

As shown in Table 18, most charter cities (6 yes, 17 no) responded that they do not allow the independent auditor to provide non-audit services. Only two of those allowing such non-audit services responded that these services must be approved by the audit committee.

### Accounting Policies and Procedures

Formal documentation of accounting policies and procedures is an essential component in providing effective controls over accounting and financial reporting, as well as providing a comprehensive framework of internal controls.

Accountability and consistency require a well-designed and maintained system of documenting accounting policies and procedures. This documentation can also provide a useful training tool for financial staff.

The following are excerpts from the GFOA recommended best practice regarding accounting policies and procedures:

Every government should document its accounting policies and procedures. Traditionally, such documentation has taken the form of an accounting policies and procedures manual.

An appropriate level of management to emphasize their importance and authority should promulgate accounting policies and procedures. The documentation of accounting policies and procedures should be evaluated annually and updated periodically, no less than once every three years, according to a predetermined schedule. Changes in policies and procedures that occur between these periodic reviews should be updated in the documentation promptly as they occur. A specific employee should be assigned the duty of overseeing this process. Management is responsible for ensuring that this duty is performed consistently.

The documentation of accounting policies and procedures should be readily available to all employees who need it. It should delineate the authority and responsibility of all employees, especially the authority to authorize transactions and the responsibility for the safekeeping of assets and records. Likewise, the documentation of accounting policies and procedures should indicate which employees are to perform which procedures. Procedures should be described as

they are actually intended to be performed rather than in some idealized form. Also, the documentation of accounting policies and procedures should explain the design and purpose of control related procedures to increase employee understanding of and support for controls.<sup>5</sup>

**Document Accounting Policies/Procedures**

Table 19. Document Accounting Policies/Procedures							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	No	No	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
No	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
No	Yes	Yes	Yes	Yes	Yes	No	

As shown in Table 19, most charter cities (18 yes, 5 no) responded that accounting policies and procedures were formally documented in an accounting policies and procedures manual.

Table 20. Define Authority and Responsibilities							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	No	No	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	No	Yes	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	Yes	

As shown in Table 20, most cities (20 yes, 3 no) also responded that accounting policies and procedures specifically define the authority and responsibility of all employees, including the authority to authorize transactions and the responsibility for safekeeping of assets and records.

The CGJ requested each city provide copies of its accounting policies and procedures and accounting manual. In reviewing this supporting documentation and comments provided by each city the CGJ found several cities had very comprehensive and de-

<sup>5</sup> [http://www.gfoa.org/index.php?option=com\\_content&task=view&id=118&Itemid=130](http://www.gfoa.org/index.php?option=com_content&task=view&id=118&Itemid=130)

tailed accounting policies and procedures. These included specific authority and responsibility of employees. Other cities had very high level and brief policies and procedures, with very little detail, and with very little information on the specific authority and responsibility of employees.

<b>Table 21. Accounting Policies Updated Within Three Years</b>							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
<b>No</b>	<b>No</b>	No response	<b>No</b>	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	No response	No response	Yes	<b>No</b>	Yes	<b>No</b>	<b>No</b>
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	<b>No</b>	Yes	No response	Yes	Yes	Yes	

As shown in Table 21, half of the cities (12 yes, 7 no, 4 no response) responded that their accounting policies and procedures were reviewed annually and updated at least once every three years on a predetermined schedule. Upon review of documentation, the CGJ found very little indication that policies and procedures were being reviewed and updated. Most policies and procedures did not include either effective or revision dates, and most of those that did were not within the past three years.

**Reporting of Fraud, Abuse and Questionable Practices**

Most cases of fraud and abuse, or questionable accounting, or auditing practices, come to the attention of those responsible through employees or members of the public who become aware of these practices and report them.

In addition, accounting and auditing standards require financial reporting systems to be designed to detect not only material fraud or abuse, but also any questionable accounting or auditing practices that could jeopardize the integrity of the financial reporting system.

The following are excerpts from the GFOA recommended best practices regarding reporting of fraud, abuse and questionable practices:

The Government Finance Officers Association recommends that every government establish policies and procedures to encourage and facilitate the reporting of fraud or abuse and questionable accounting or auditing practices. At a minimum, a government should do all of the following:

- Formally approve, and widely distribute and publicize an ethics policy that can serve as a practical basis for identifying potential instances of fraud or abuse and questionable accounting or auditing practices.

- Establish practical mechanisms (e.g., hot line) to permit the confidential, anonymous reporting of concerns about fraud or abuse and questionable accounting or auditing practices to the appropriate responsible parties. A government should regularly publicize the availability of these mechanisms and encourage individuals who may have relevant information to provide it to the government.
- Make internal auditors (or their equivalent) responsible for the mechanisms used to report instances of potential fraud or abuse and questionable accounting or auditing practices. Emphasize that they should take whatever steps are necessary to satisfy themselves that a given complaint is without merit before disposing of it. Further, they also should document the disposition of each complaint received so it can be reviewed by the audit committee.
- Have the audit committee, as part of its evaluation of the government’s internal control framework, examine the documentation of how complaints were handled to satisfy itself that the mechanisms for reporting instances of potential fraud or abuse, and questionable accounting or auditing practices are in place and working satisfactorily.<sup>6</sup>

**Policies and Procedures for Reporting Fraud and Abuse**

Table 22. Policies and Procedures for Reporting Fraud and Abuse							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
No	No	Yes	No	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	No	No	No	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	No	Yes	No	Yes	Yes	Yes	

As shown in Table 22, most charter cities (15 yes, 8 no) responded that they have policies and procedures to encourage and facilitate the reporting of fraud or abuse and questionable accounting or auditing practices.

<sup>6</sup> [http://www.gfoa.org/index.php?option=com\\_content&task=view&id=118&Itemid=130](http://www.gfoa.org/index.php?option=com_content&task=view&id=118&Itemid=130)

<b>Table 23. Formal and Publicized Ethics Policy</b>							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	Yes	<b>No</b>	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	<b>No</b>	<b>No</b>	Yes	Yes	<b>No</b>	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	<b>No</b>	Yes	Yes	Yes	Yes	Yes	

As shown in Table 23, most cities (18 yes, 5 no) responded that they have a formally adopted and widely distributed and publicized ethics policy.

In reviewing the supporting documentation and comments provided by the cities, the CGJ found several cities had very comprehensive and detailed policies and procedures on reporting fraud, abuse and questionable acts. These included definitions of fraud and abuse, clear responsibilities for employees and management personnel, and guidelines and steps for investigating allegations and reporting the results. Other cities have very limited policies, such as statements that all city employees follow the highest ethical standards, or have adopted specific policies regarding reporting of travel expense reimbursement.

<b>Table 24. Confidential/Anonymous Fraud Reporting</b>							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	Yes	<b>No</b>	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	<b>No</b>	<b>No</b>	Yes	Yes	<b>No</b>	<b>No</b>	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	<b>No</b>	Yes	<b>No</b>	<b>No</b>	Yes	<b>No</b>	

As shown in Table 24, several cities (10 yes, 13 no) responded they have a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns about fraud, abuse, or questionable practices. However, in review of the documentation and comments the CGJ found only Glendale, actually had an ethics hotline for confidential and anonymous reporting. Other cities stated that employees or members of the public could write a letter to the city with concerns, or that the city had an open door policy and concerns could be taken to supervisors, managers, the city manager, or the city attorney.

## Internal Controls

Internal controls are designed to safeguard city assets from error, loss, theft, misuse, misappropriation, and fraud.

Effective programs of internal controls provide reasonable assurance that these objectives are met continuously and consistently. Internal controls play an important role in preventing and detecting fraud and protecting the organization's resources.

The following are excerpts from the GFOA recommended best practice regarding internal controls:

Internal control procedures over financial management should be documented.

Documented internal control procedures should include some practical means for lower level employees to report instances of management override of controls that could be indicative of fraud.

Financial managers, with the assistance of internal auditors or equivalent personnel as needed, periodically evaluate relevant internal control procedures to satisfy themselves that those procedures 1) are adequately designed to achieve their intended purpose, 2) have actually been implemented, and 3) continue to function as designed.

Evaluations should also encompass the effectiveness and timeliness of the government's response to indications of potential control weaknesses generated by internal control procedures (e.g., resolution of items in exception reports).

Upon completion of any evaluation of internal control procedures financial managers determine what specific actions are necessary to remedy the root cause of any disclosed weaknesses. A corrective action plan with an appropriate timetable should be adopted. There should be follow-up on the corrective action plan to ensure that it has been fully implemented on a timely basis.<sup>7</sup>

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<sup>7</sup> [http://www.gfoa.org/index.php?option=com\\_content&task=view&id=118&Itemid=130](http://www.gfoa.org/index.php?option=com_content&task=view&id=118&Itemid=130)

Table 25. Internal Controls Documented							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	No	No	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	No	No	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	No	Yes	Yes	Yes	Yes	No	

As shown in Table 25, most cities (17 yes, 6 no) responded that internal control procedures over financial management were formally documented. They also responded that internal control procedures include practical means for lower level employees to report instances of management override of controls.

The CGJ requested a copy from each city of the internal control procedures over financial management. In reviewing this documentation, the CGJ found Pasadena and Signal Hill had developed comprehensive procedures for internal control. Pasadena had developed very detailed preventive and detective internal controls and procedural guidelines which included very specific internal control procedures for specific transactions and functions. Signal Hill adopted an internal control procedure that included an overview of internal control procedures, and specific checklists for specific transactions and functions. Other cities provided no specific documentation of internal control procedures, or made minor mention of internal control procedures as part of their financial and accounting policies and procedures.

Table 26. Internal Controls Evaluated							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	No	No	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	Yes	

As shown in Table 26, most cities (20 yes, 3 no) responded that internal control procedures were evaluated to determine if those controls are adequately designed to achieve their intended purpose, have actually been implemented, and continue to function as designed.

Table 27. Control Weakness Documented							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
<b>No</b>	<b>No</b>	Yes	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	Yes	

As shown in Table 27, most cities (21 yes, 2 no) responded that potential internal control weaknesses were documented in their exception reports.

Table 28. Control Weakness Corrective Action Required							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	<b>No</b>	Yes	<b>No</b>	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	<b>No</b>	<b>No</b>	Yes	<b>No</b>	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	<b>No</b>	

As shown in Table 28, most cities (17 yes, 6 no) responded that there is a process in place to identify changes in what is being controlled, or the controls themselves. Corrective action plans were developed with appropriate timelines. In reviewing the comments and documentation, it appears that most cities rely primarily on the internal controls review conducted by their independent auditors as part of their annual financial audits.

Based on government auditing standards, independent auditors consider a city’s internal controls over financial reporting, and conduct tests of compliance. This review is focused on financial reporting, and not on the larger internal controls environment. Independent auditors generally do not provide an opinion on the internal control over financial reporting or on compliance. Internal controls that ensure there are adequate control procedures in place to protect public funds are the responsibility of city financial management.

**Internal Audit**

The internal audit function serves as an additional level of control to improve a city’s overall control and risk environment. This includes monitoring the design and proper functioning of the internal control policies and procedures. It is important that the inter-

nal audit function be separate from those that are directly responsible for performing financial functions.

The following are excerpts from the GFOA recommended best practice regarding internal audit:

Every government should consider the feasibility of establishing a formal internal audit function because such a function can play an important role in helping management to maintain a comprehensive framework of internal controls. As a rule, a formal internal audit function is particularly valuable for those activities involving a high degree of risk (e.g., complex accounting systems, contracts with outside parties, a rapidly changing environment). If it is not feasible to establish a separate internal audit function, a government is encouraged to consider either 1) assigning internal audit responsibilities to its regular employees or 2) obtaining the services of an accounting firm (other than the independent auditor) for this purpose;

The internal audit function should be established formally by charter, enabling resolution, or other appropriate legal means;

It is recommended that internal auditors of state and local governments conduct their work in accordance with the professional standards relevant to internal auditing contained in the U.S. General Accounting Office's publication Government Auditing Standards, including those applicable to the independence of internal auditors;

At a minimum, the head of the internal audit function should possess a college degree and appropriate relevant experience. It also is highly desirable that the head of the internal audit function hold some appropriate form of professional certification (e.g., certified internal auditor, certified public accountant, certified information systems auditor); and

All reports of internal auditors, as well as the annual internal audit work plan, should be made available to the government's audit committee or its equivalent.<sup>8</sup>

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<sup>8</sup> [http://www.gfoa.org/index.php?option=com\\_content&task=view&id=118&Itemid=130](http://www.gfoa.org/index.php?option=com_content&task=view&id=118&Itemid=130)

Table 29. Formal Internal Audit Function							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
No	No	No	Yes	No	No	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	No	No	No	Yes	No	Yes	No
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	No	Yes	No	Yes	Yes	No	

As shown in Table 29, most charter cities (10 yes, 13 no) responded that they do not have an internal audit function formally established by charter, enabling resolution, or other legal means. The CGJ found many cities did not provide any documentation of their formal internal audit function. Some cities stated that internal audit was an additional responsibility of their finance staff.

Several cities stated that, given the small size of their city, an internal audit function and staff could not be justified. One city previously had a formal internal audit function; however, the internal audit position had been eliminated due to budget constraints. The duties of the internal auditor were reassigned to the finance director and controller.

### General Fund Unrestricted Fund Balance

The term “fund balance” is used to describe the net assets of governmental funds, and is intended to provide a measure of the financial resources available in the fund. Some of this fund balance is typically restricted because it is not available (for legal or contractual reasons), or restricted by external constraints.

Unrestricted funds include those that are unassigned, as well as those that are committed or assigned by the city council. The city council would be able to change these commitments or assignments if deemed necessary.

It is important that governments formally set aside adequate funds for use in emergencies, revenue shortages, or budget imbalances. Adequate fund balances are also important to provide stable tax rates, maintain government services, and to facilitate long-term financial planning.

The following are excerpts from the GFOA recommended best practice regarding general fund unrestricted fund balance:

The Government Finance Officers Association (GFOA) recommends that governments establish a formal policy on the level of unrestricted fund balance that should be maintained in the general fund.

Such a guideline should be set by the appropriate policy body and should provide both a temporal framework and specific plans for increasing or decreasing the

level of unrestricted fund balance, if it is inconsistent with that policy. The adequacy of unrestricted fund balance in the general fund should be assessed based upon a government’s own specific circumstances. Nevertheless, GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain unrestricted fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures.<sup>9</sup>

Table 30. Policy of Unrestricted Fund Balance							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	<b>No</b>	<b>No</b>	Yes	<b>No</b>	Yes	Yes	<b>No</b>
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	<b>No</b>	Yes	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	<b>No</b>	<b>No</b>	Yes	<b>No</b>	

As shown in Table 30, most charter cities (15 yes, 8 no) responded that they have a formal policy on the level of unrestricted fund balance to be maintained in the general fund.

Table 31. Require Two Months Unrestricted Fund Balance							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
<b>No</b>	<b>No</b>	<b>No</b>	Yes	No Response	<b>No</b>	Yes	No Response
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
<b>No</b>	<b>No</b>	Yes	Yes	<b>No</b>	Yes	Yes	<b>No</b>
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
<b>No</b>	Yes	Yes	<b>No</b>	No Response	<b>No</b>	<b>No</b>	

As shown in Table 31, most charter cities (7 yes, 13 no, 3 no response) responded that they do not have a policy requiring an unrestricted fund balance spanning no less than two months of regular general fund operating revenues or regular general fund operating expenditures.

<sup>9</sup> [http://www.gfoa.org/index.php?option=com\\_content&task=view&id=118&Itemid=130](http://www.gfoa.org/index.php?option=com_content&task=view&id=118&Itemid=130)

## Financial and Public Reporting Practices

Financial statements and information prepared and provided by each city give members of the public information concerning how their city is expending its resources, as well as the financial stability and health of the city.

Ensuring the transparency and reliability of financial reporting is a key responsibility of financial management within each city. This requires maintaining an adequate financial accounting system and issuing financial statements in a timely manner.

The following are excerpts from the GFOA recommended best practice regarding financial and public reporting practices:

Maintain an accounting system adequate to provide all of the data needed to allow for the timely preparation of financial statements for the entire financial reporting entity in conformity with GAAP;

Issue timely financial statements for the entire financial reporting entity in conformity with GAAP as part of a CAFR; and

Have those financial statements independently audited in accordance with either GAAS or GAS, as appropriate.

The GFOA encourages every government to use its web site as a primary means of communicating financial information to citizens and other interested parties.<sup>10</sup>

## Adequate Accounting System

Table 32. Adequate Accounting System							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	Yes	

As shown in Table 32, all charter cities (23 yes, 0 no) responded that they maintain an accounting system adequate to provide all the data needed for the timely preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP).

<sup>10</sup> [http://www.gfoa.org/index.php?option=com\\_content&task=view&id=118&Itemid=130](http://www.gfoa.org/index.php?option=com_content&task=view&id=118&Itemid=130)

Table 33. Timely Financial Statements (GAAP)							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	<b>No</b>	Yes	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	Yes	

As shown in Table 33, all but one city (22 yes, 1 no) responded that they issue timely financial statements in conformity with standards as part of a CAFR. The City of Bell has not yet issued financial statements for FY 2009-10, and reports it is in the process of preparing these statements with an independent auditor.

Table 34. CAFR Readily Available on the Public or City Website							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	<b>No</b>	Yes	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	Yes	

As shown in Table 34, all but one city (22 yes, 1 no) responded that their financial statements or CAFR were readily available on their city’s website.

In reviewing the supporting documentation and comments provided by the cities the CGJ found that Compton, Industry, Inglewood, and Temple City did not issue CAFRs for FY 2009-10. These cities issued basic financial statements, some with management’s discussion and analysis and others without analysis. The CGJ also found that Compton, Industry, and Temple City did not provide their financial reports on their city’s website as of December, 2011.

## **FINDINGS – FINANCIAL MANAGEMENT PRACTICES**

1. All charter cities formally established an audit committee responsible for monitoring and overseeing financial reporting.
2. All charter cities required their auditors to comply with independence standards and most selected their auditors through a competitive process. Most also precluded the auditor from providing non-audit services.
3. Most cities could improve their documentation and maintenance of accounting policies and procedures.
4. Most cities could improve their policies and procedures for reporting fraud, abuse, and questionable practices.
5. Most cities could improve their internal control procedures over financial management.
6. Most charter cities did not have a formal internal audit function.
7. Many charter cities' policies and procedures governing general fund unrestricted fund balance could be improved.
8. All cities maintained an adequate accounting system. Most issued timely financial statements and a CAFR in compliance with standards, and most made the CAFR readily accessible to the general public on their website.

## **BEST PRACTICES**

1. All charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor.
2. All charter cities should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.
3. All charter cities should review and update accounting policies and procedures to ensure they are appropriately detailed and define the specific authority and responsibility of employees. Cities should also establish a policy requiring policies and procedures to be reviewed annually and updated at least once every three years.
4. All charter cities should review and update policies and procedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns.
5. All charter cities should periodically review and update internal control procedures over financial management.

6. All charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies.
7. Charter cities must develop and publish a timely Comprehensive Annual Financial Report (CAFR).
8. Charter cities should publish financial reports on their city's website.

## **PROCUREMENT AND CONTRACTING PRACTICES**

The costs of goods and services acquired by procurement and contracting are a substantial expenditure of city resources. These expenditures are generally second only to the expenditures for employee salaries and benefits. Developing and maintaining adequate policies and procedures for procurement and contracting are important to ensure city resources are protected, and goods and services are procured in the best interest of the city. These policies include competitive bidding requirements, procuring professional services such as architectural and engineering, negotiating prices and change orders, and providing contract oversight and compliance.

### **Competitive Bidding Requirements and Practices**

The California Public Contract Code §100 defines the requirements for public contracting for public entities. The objectives of this Code are:

- To clarify the law with respect to competitive bidding requirements.
- To ensure full compliance with competitive bidding statutes as a means of protecting the public from misuse of public funds.
- To provide all qualified bidders with a fair opportunity to enter the bidding process, thereby stimulating competition in a manner conducive to sound fiscal practices.
- To eliminate favoritism, fraud, and corruption in the awarding of public contracts.

This Code also specifically allows charter cities an exemption as stated in Section §1100.7

This code is the basis of contracts between most public entities in this state and their contractors and subcontractors. With regard to charter cities, this code applies in the absence of an express exemption or a city charter provision or ordinance that conflicts with the relevant provision of this code.

Given the authority granted under this section, it is important that charter cities formally adopt policies and procedures defining competitive bidding.

Table 35. Formal Competitive Bidding Process							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	Yes	

As shown in Table 35, all cities (23 yes, 0 no) responded that their city has formally adopted policies and procedures defining competitive bidding requirements and practices for the procurement of goods and services. The CGJ asked cities to provide copies of the city charter or city ordinance providing exemption from competitive procurement requirements of California’s Public Contract Code (CPC). In reviewing this information the CGJ found all cities had such formally adopted policies.

Table 36. Exemption from Competitive Procurement							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	<b>No</b>	Yes	Yes	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	Yes	Yes	<b>No</b>	Yes	Yes	<b>No</b>	<b>No</b>
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	<b>No</b>	Yes	Yes	<b>No</b>	

As shown in Table 36, most cities (17 yes, 6 no) responded that their city charter or city ordinance provide exemption from competitive procurement requirements of CPC. The CGJ asked cities to provide the formal policy defining competitive bidding requirements and practices for the procurement of goods and services. The CGJ found that most cities had exemptions from competitive bidding for emergencies, or when items were only available from one source, i.e. sole source contracting.

<b>Table 37. Formal Policies - Sole Source Contracting</b>							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	<b>No</b>	Yes	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	<b>No</b>	Yes	<b>No</b>	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	<b>No</b>	Yes	Yes	Yes	

As shown in Table 37, most of the cities (19 yes, 4 no) responded that they had formally adopted policies and procedures establishing internal controls over sole-source contracting. The CGJ asked cities to provide copies of the formal policy establishing internal controls over sole source contracting. The CGJ found that those cities with such controls, required formal review and approval of sole source contracts by either the city manager or city council, or both.

### **Procuring Architectural and Engineering Services**

California Government Code §4526, which requires that the general law cities select private firms for professional services of architectural, landscape architectural, engineering, environment, land surveying or construction project management by local agencies, be based on demonstrated competence and professional qualifications. This section has been interpreted by many public entities to require firms be initially selected on qualifications alone, precluding consideration of price in the selection. These procedures specifically prohibit policies which might result in unlawful activity including rebates, kickbacks, and government agency employees participating in seeking contracts.

California Government Code §4528 further requires that the local general law agency negotiate a contract with the best qualified firm with a price that is determined to be fair and reasonable. If a fair and reasonable price cannot be negotiated with the firm considered to be the most qualified, negotiations with that firm are terminated and negotiations with the second most qualified firm initiated. This continues until a fair and reasonable price is negotiated.

A best practice used by many governmental agencies to establish fair and reasonable compensation is to perform contract pre-award cost reviews of proposed fully burdened labor rates as a basis for negotiating fair and reasonable fees. Use of pre-award audits to establish fair and reasonable fees could and often does result in significant cost savings unavailable to general law cities.

Table 38. Formal Arch/Eng Procurement Practices							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	<b>No</b>	<b>No</b>	Yes	<b>No</b>	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	<b>No</b>	<b>No</b>	<b>No</b>	Yes	Yes	<b>No</b>	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	<b>No</b>	

As shown in Table 38, most cities (15 yes, 8 no) responded that they had formally adopted policies and procedures for selecting firms that provide architectural and engineering services. The CGJ requested cities provide copies of their formally adopted policies and procedures for selecting firms that provide architectural and engineering services. The CGJ found only a few cities whose policies and procedures were consistent with the above sections of California Government Code §4528.

Burbank and Pomona have policies that provide for a negotiated proposal process where the most qualified is identified and the fee and payment schedule is negotiated. Several cities have specific policies and procedures for selecting architectural and engineering services. However, these include consideration of price in the initial selection contrary to the state code.

Since competitive bidding cannot be used in the selection of architectural and engineering services, it is important that negotiated prices are fair and reasonable.

<b>Table 39. Formal Pricing – Fair Prices Negotiated Contracts</b>							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	<b>No</b>	<b>No</b>	Yes	<b>No</b>	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	<b>No</b>	<b>No</b>	<b>No</b>	Yes	Yes	<b>No</b>	<b>No</b>
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	<b>No</b>	Yes	<b>No</b>	

As shown in Table 39, more than half of the cities (13 yes, 10 no) responded that they had formally adopted policies and procedures for ensuring that prices for negotiated contracts are fair and reasonable. The CGJ requested cities provide copies of the formally adopted policies and procedures for ensuring that prices for negotiated contracts are fair and reasonable. In reviewing this information the CGJ found only a few cities actually had such policies and procedures. Most continued to rely on a competitive pricing approach for these services.

### **Negotiated Prices and Contract Change Orders**

Cities generally issue construction contracts through a competitive bidding process by which the reasonableness of bid prices are established. However, construction contracts commonly require contract change orders due to unforeseen conditions during construction or changes in architectural and/or engineering design. These contract change orders should be competitively bid, rather than awarded to the same firm that was awarded the original contract. If substantial contract change orders are not competitively bid, the cities must take other steps to ensure the proposed cost of these changes orders is fair and reasonable.

Best practices for contract change order pricing include the following:

- Preparation of an independent estimate of change order cost.
- A contractor detailed cost proposal.
- A price or cost analysis of the contractor’s proposal.
- Preparation of a record of negotiation showing the basis for reaching a fair and reasonable price.

<b>Table 40. Formal Policies - Fair Change Order Pricing</b>							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
<b>No</b>	<b>No</b>	<b>No</b>	No response	<b>No</b>	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	<b>No</b>	<b>No</b>	Yes	Yes	Yes	<b>No</b>	<b>No</b>
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	<b>No</b>	Yes	<b>No</b>	

As shown in Table 40, half of the cities (12 yes, 10 no, 1 no response) responded that they had formally adopted policies and procedures for ensuring that prices negotiated for contract change orders are fair and reasonable.

<b>Table 41. Formal Policies – Internal Controls- Change Orders</b>							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
<b>No</b>	Yes	<b>No</b>	Yes	<b>No</b>	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	Yes	<b>No</b>	<b>No</b>	<b>No</b>	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	<b>No</b>	<b>No</b>	Yes	<b>No</b>	

As shown in Table 41, most cities (14 yes, 9 no) responded that they had formally adopted policies and procedures establishing internal controls over contract change orders. The CGJ requested cities provide copies of their formally adopted policies and procedures establishing internal controls over contract change orders. The CGJ found several cities had comprehensive controls over change orders, with specific limits on change order amounts and detailed approval steps. The CGJ did not find any cities that had formal policies to ensure fair pricing on change orders.

**Procurement and Contracting Compliance and Oversight**

Documentation of the procurement process is necessary in order to ensure compliance with the procurement requirements. Contract compliance and oversight are also important to ensure that contractors are providing the goods or services they are paid for within the terms provided by the contract.

Table 42. Formal Documentation of Compliance with Requirements							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	<b>No</b>	Yes	<b>No</b>	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	Yes	<b>No</b>	<b>No</b>	<b>No</b>	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	<b>No</b>	

As shown in Table 42, most cities (17 yes, 6 no) responded that they had formally adopted policies and procedures for documenting compliance with procurement requirements.

The CGJ requested that cities provide copies of their formally adopted policies and procedures for documenting compliance with procurement requirements. The CGJ found that most had established a purchasing officer with the responsibility for overseeing the procurement process and ensuring compliance with purchasing requirements. Most had established specific duties and responsibilities for this position.

Table 43. Formal Policies Contract Compliance and Oversight							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	<b>No</b>	Yes	Yes	<b>No</b>	Yes	<b>No</b>	<b>No</b>
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	<b>No</b>	<b>No</b>	<b>No</b>	<b>No</b>	

As shown in Table 43, fewer than half of the cities (10 yes, 13 no) responded that they had formally adopted policies and procedures for providing contract compliance and oversight. The CGJ requested cities provide copies of their formally adopted policies and procedures for providing contract compliance and oversight. The CGJ found that those cities had policies focused on compliance with contract requirements regarding insurance, bonding, licensure and other similar requirements. Few charter cities focused on contract compliance and oversight, but instead focused on the quality of the goods or services being provided.

## **FINDINGS – PROCUREMENT AND CONTRACTING PRACTICES**

1. All charter cities formally adopted policies and procedures defining competitive bidding requirements and practices. Controls over sole source contracting could be improved in some cities.
2. Charter cities policies and procedures for selecting and negotiating prices for architectural and engineering services could be improved as they are seldom based on merit, credentials, and experience apart from the bidding process.
3. Policies and procedures for ensuring prices negotiated for substantial contract change orders are a potential for self-dealings and all of the charter cities need to establish formal policies to ensure fair pricing on substantial change orders,
4. Policies and procedures for documenting compliance with procurement requirements, and providing contract compliance and oversight could be improved to eliminate dealing with the same parties.

## **BEST PRACTICES**

1. All charter cities should develop written and procedural controls over sole sourced contracting to prevent preferential granting of contracts.
2. All charter cities should develop policies and procedures for selecting and negotiating fair prices for architectural and engineering services consistent with state codes.
3. All charter cities should provide policies and procedures for ensuring prices negotiated for substantial contract change orders are fair and reasonable, and establish internal controls over substantial contract change orders so that same contractors not repeatedly awarded contracts.
4. All charter cities should develop policies and procedures for documenting compliance with procurement requirements, and provide contract compliance and oversight and have annual audit oversight with an outside accounting firm.

## EMPLOYEE COMPENSATION

Charter cities differ from general law cities in setting employee salaries and compensation. Charter cities are granted control over municipal affairs, and case law has determined that “salaries of local employees of a charter city constitute municipal affairs and are not subject to general laws.”<sup>11</sup> Therefore, the city councils of charter cities have the authority and responsibility to determine the appropriate salaries and compensation for their employees.

Examples of compensation differences between charter and general law cities include:

- While general law cities must pay prevailing wages for public works projects valued at greater than \$1,000, charter cities historically are not required to meet this standard unless they chose to. (Exception: projects funded by state or federal grants.) Prevailing per diem wages are set by the California Department of Industrial Relations.
- The salaries of city council members of general law cities are set by state law and are based on a scale reflecting the populations of the cities. The salaries of city council members of charter cities may be set by the councils themselves.<sup>12</sup>

In July 2010 news media reports revealed that some City of Bell administrators and council members were receiving disproportionately high salaries. In addition, the report of the independent reform monitor for the City of Vernon found:

There is evidence that in the past, the salaries of City officials were bloated, that some who held more than one position were receiving compensation for each position, and that some contracts were drawn so that after 1,500 hours of City work and a set salary, City officials would charge hourly rates that would elevate those salaries way beyond any norm.<sup>13</sup>

In the past, each city council was required to establish the range of salary for each position and adopt that range in a formal “salary resolution.” In late 2010 the State Controller required counties, cities and special districts to report government compensation, which were posted to the Controller’s website in an effort to promote transparency following the salary scandal in the City of Bell. The information provided includes the approved salary range, as well as the actual compensation received and reported to the Internal Revenue Service.

Requiring publishing the salary resolutions has not proven to be an effective means of providing transparency and accountability for government compensation. Many citizens, including those of charter cities, do not recognize the State Controller’s Office website

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<sup>11</sup> *Voters For Responsible Retirement v. Board of Supervisors*, 8 Cal.4<sup>th</sup> 765, 781 (1994)

<sup>12</sup> California Constitution Article XI, §5(b)

<sup>13</sup> *City of Vernon Report*, John Van De Kamp, Independent Ethics Advisor, July 29, 2011; p. 5

as a means of staying informed regarding the salaries and compensation of their cities' council members and management-level personnel.

As part of this investigation, the CGJ requested information on city employee compensation for those employees receiving over \$200,000 in taxable compensation in calendar year 2011. The taxable compensation for employees receiving over \$200,000 in 2011 is listed, by position title and city, in Appendix C of this report.

### **FINDINGS – EMPLOYEE COMPENSATION**

1. The CGJ found multiple instances of charter cities which have not developed and approved employee compensation schedules in a manner transparent and accountable to the cities' constituencies.
2. The CGJ found instances of individual salaries of job classifications which differed significantly from the salaries of comparable classifications in other cities.

### **BEST PRACTICES**

1. All charter city councils and citizens of the cities should annually review the actual compensation received by employees of their cities.
2. All charter city councils should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.

## RECOMMENDATIONS

**Responses are required from the following charter cities:**

Alhambra	Arcadia	Bell	Burbank	Cerritos
Compton	Culver City	Downey	Glendale	Industry
Inglewood	Inwindale	Lancaster	Palmdale	Pasadena
Pomona	Redondo Beach	Santa Monica	Signal Hill	Temple City
Torrance	Vernon	Whittier		

1. All charter cities reviewed in this report should adopt financial planning, revenue and expenditure policies to guide cities' officials to develop sustainable, balanced budgets.
2. All charter cities reviewed in this report should develop a balanced budget and commit to operate within budget constraints.
3. All charter cities reviewed in this report should commit to not using one-time revenues to fund recurring or on-going expenditures.
4. All charter cities reviewed in this report should adopt multi-year budgets for better planning to ensure the delivery of basic services before funding projects of lower priority.
5. All charter cities reviewed in this report should adopt a method and practice of saving into a reserve or "rainy day" fund to be supplement operating revenue in years of short fall.
6. Charter cities should develop and adopt a strategic plan that articulates the mission, vision, core values and priorities (goals and objectives) for the City. The following cities should develop and adopt such a strategic plan: Arcadia, Compton, Industry, Inglewood.
7. Charter cities should develop and report on performance measures or indicators to evaluate outcomes or progress on priorities. These performance measures should be quantified, focused on outcomes or results, and information should be provided for several years to allow evaluation of progress over time. The following cities should develop such performance measures for indicators: Arcadia, Bell, Compton, Industry, Inglewood, Lancaster, Temple City.
8. Charter city councils should continue to maintain a governance policy that specifically defines the relationship between the council and executive. Charter city councils should continue providing specific annual goals for the city's executive (City Manager or City Administrator) and conduct meaningful evaluations annually. The following cities should do so: Alhambra, Bell, Industry, Inglewood, Lancaster.

9. Charter cities should formally establish an audit committee making it directly responsible for the work of the independent auditor. The following cities should formally establish an audit committee: Alhambra, Arcadia, Bell, Cerritos, Compton, Industry, Inglewood, Irwindale, Palmdale, Pomona, Santa Monica, Signal Hill, Temple City, Torrance, Whittier.
10. All charter cities reviewed in this report should continue requiring compliance with standards of independence for the external auditor. Cities that do not currently select the auditor through a competitive process should do so. Cities that allow the auditor to provide non-audit services should ensure appropriate review and approval of those services.
11. Charter cities should review and update accounting policies and procedures to ensure they are appropriately detailed and define the specific authority and responsibility of employees. Cities should also establish a policy requiring policies and procedures to be reviewed annually and updated at least once every three years. The following cities should review and update accounting policies and procedures at least once every three years: Alhambra, Arcadia, Bell, Burbank, Industry, Inglewood, Lancaster, Pasadena, Pomona, Santa Monica, Temple City.
12. Charter cities should review and update policies and procedures for reporting fraud, abuse and questionable practices including a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns. The following cities should adopt such policies and procedures: Alhambra, Arcadia, Burbank, Industry, Inglewood, Irwindale, Santa Monica, Temple City.
13. Charter cities should periodically review and update internal control procedures over financial management. The Following cities should review and update internal control procedures over financial matters: Bell, Industry, Inglewood.
14. Charter cities that have not adopted a policy requiring an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures should develop such policies. The following cities should adopt such a policy: Alhambra, Arcadia, Bell, Cerritos, Compton, Downey, Glendale, Industry, Lancaster, Pomona, Redondo Beach, Temple City, Torrance, Vernon, Whittier.
15. Charter cities must develop and publish a timely Comprehensive Annual Financial Report (CAFR). The city of Bell should do so.
16. Charter cities that have not published financial reports on the city's website should do so. The city of Industry should do so.
17. Charter cities should develop controls over sole sourced contracting to prevent preferential granting of contracts. The following cities should develop such controls: Bell, Industry, Irwindale, Temple City.

18. Charter cities should develop policies and procedures for selecting and negotiating fair prices for architectural and engineering services consistent with state codes. The following cities should develop such policies and procedures: Arcadia, Bell, Cerritos, Industry, Inglewood, Irwindale, Pasadena, Whittier.
19. All charter cities reviewed in this report should provide policies and procedures for ensuring prices negotiated for substantial contract change orders are fair and reasonable, and establish internal controls over substantial contract change orders so that same contractors not repeatedly awarded contracts. The following cities should do so: Alhambra, Bell, Cerritos, Inglewood, Irwindale, Lancaster, Temple City, Torrance, Whittier.
20. All charter cities should develop policies and procedures for documenting compliance with procurement requirements, and provide contract compliance and oversight and have annual audit oversight with an outside accounting firm. The following cities should do so: Bell, Cerritos, Inglewood, Irwindale, Lancaster, Whittier.
21. All charter city councils, and citizens of the cities, reviewed in this report should annually review the actual compensation received by employees of their cities.
22. All charter city councils of the cities reviewed in this report should have access to prevailing municipal wage rates and/or salary ranges for comparable cities in order to identify any individual city position(s) whose salaries exceed the normal salary range for those positions. Approval of any exceptional salaries should be based on justifications of exceptional and unique job responsibilities.

**ACRONYMS**

<b>AICPA</b>	American Institute of Certified Public Accountants
<b>CAFR</b>	Comprehensive Annual Financial Reports
<b>CalPERS</b>	California Public Employees Retirement System
<b>CFO</b>	Chief Financial Officer
<b>CGJ</b>	Los Angeles County Civil Grand Jury
<b>CPCC</b>	California Public Contract Code
<b>FPPC</b>	California Fair Political Practices Commission
<b>FY</b>	Fiscal Year
<b>GAAP</b>	Generally Accepted Accounting Principles
<b>GAAS</b>	Generally Accepted Auditing Standards
<b>GAS</b>	Government Auditing Standards
<b>GASB</b>	Governmental Accounting Standards Board
<b>GFOA</b>	Government Finance Officers Association
<b>IIA</b>	Institute of Internal Auditors
<b>RFP</b>	Request for Proposal
<b>SWOT</b>	Strengths, Weaknesses, Opportunities, and Threats

**APPENDICES**

<b>A</b>	Glossary of Terms
<b>B</b>	Sample Questionnaire
<b>C</b>	Positions with Compensation in excess of \$200,000 in 2011
<b>D</b>	Charter Cities Comments and Additional Documentation

**EXHIBIT**

<b>1</b>	General Law City v. Charter City
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## APPENDIX A – GLOSSARY OF TERMS

**Adopted Budget** – The City Council approved annual budget establishing the legal authority for the expenditure of funds as set forth in the adopting Council budget resolution.

**Asset** – Property owned by a government, which has monetary value.

**Audit** – An examination and evaluation of the City’s records and procedures to ensure compliance with specified rules, regulations, and best practices. City Charters generally require a yearly independent financial audit, by an independent certified public accountant that forms an audit opinion regarding the legitimacy of transactions and internal controls.

**Balanced Budget** – When the total of revenues and other financing sources is equal to or greater than the total of expenditures and other financing uses.

**Budget** – A fiscal plan of financial operation comprised of estimated expenditures and the proposed means of financing them for a given period (usually a single fiscal year). The budget is proposed until it has been approved by the City Council through a series of budget study sessions and a formal budget hearing in June.

**Budget Message** – The City Manager’s general discussion of the budget which contains an explanation of principal budget items and summary of the City’s financial status at the time of the message.

**California Public Employees’ Retirement System (CalPERS)** – The retirement system administered by the State of California, to which all permanent City employees belong.

**Capital Asset** – A tangible, fixed asset that is long-term in nature, of significant value, and obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include land, buildings, equipment, improvements to buildings, and infrastructure (i.e., streets, highways, bridges, and other immovable assets). A capital asset is defined as an asset with a useful life extending beyond a single accounting period.

**Change in General Fund Balance** – The difference from the beginning of the fiscal year to the end of the fiscal year in the balance in the primary fund of the City used to account for all revenues and expenditures of the City not legally restricted as to use. Departments financed by the General Fund include Police, Fire, Parks, Library, and administrative support departments (Finance, Human Resources, City Attorney, etc.)

**Change in Net Assets** – The difference from the beginning of the fiscal year to the end of the fiscal year in the total City assets minus total City liabilities.

**City Charter** – The legal authority granted by the State of California establishing the City and its form of government. The Charter also gives the City the ability to provide services and collect revenue to support those services.

**Comprehensive Annual Financial Report (CAFR)** – A government financial statement that provides a thorough and detailed presentation of the government’s financial condition. It provides the Council, residents and other interested parties with information on the financial position of the City and its various agencies and funds. Report contents include various financial statements and schedules and all available reports by the City’s independent auditors.

**Deficit** – An excess of expenditures or expenses over revenues (resources) during an accounting period.

**Department** – An organization unit comprised of divisions, sections, and/or programs. A department has overall management responsibility for an operation or a group of related operations.

**Expenditure** – The actual spending of Governmental funds set aside by an appropriation.

**Fiscal Year** – A twelve-month period of time to which the annual budget applies. Fiscal years are designated by the calendar year that they begin and end. Abbreviation: FY.

**Fund** – In Governmental Accounting, a fund is a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with related liabilities and residual equities or balances, and changes therein. Funds are segregated for the purpose of conducting specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

**Fund Balance** – The amount of financial resources immediately available for use. Generally, this represents the accumulated annual operating surpluses and deficits since the fund’s inception.

**General Fund** – The primary fund of the City used to account for all revenues and expenditures of the City not legally restricted as to use. Departments financed by the General Fund include Police, Fire, Parks, Library, and administrative support departments (Finance, Human Resources, City Attorney, etc.)

**Generally Accepted Accounting Principles (GAAP)** – Uniform minimum standards of/and guidelines for financial accounting and reporting. They govern the form and content of the basic financial statements of an entity. GAAP encompasses the conventions, rules, and procedures necessary to define accepted accounting practices at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provides a standard by which to measure financial presentations.

**Goal** – A long-term organizational target or direction. It states what the organization wants to accomplish or become over the next several years. Goals provide the direction for an organization and define the nature, scope, and relative priorities of all projects and activities. Everything the organization does should help it move toward attainment of one or more goals.

**Governmental Accounting Standards Board (GASB)** – The organization that establishes generally accepted accounting principles (GAAP) for states and local governments.

**Government Finance Officers Association (GFOA)** – A professional association that enhances and promotes the professional management of state and local governments for the public benefits by identifying and developing financial policies and best practices through education, training, facilitation of member networking, and leadership. The organization sponsors award programs designed to encourage good financial reporting for financial documents including the Comprehensive Annual Financial Report (CAFR) and the annual budget.

**Liability** – City debts or obligations that arise during the course of operations.

**Net Assets** – Total City assets minus total City liabilities.

**Net Revenues** – Total City revenues minus total City expenditures.

**Ordinance** – A formal legislative enactment by the City Council. It has the full force and effect of law within City boundaries unless pre-empted by a higher form of law. An Ordinance has a higher legal standing than a Resolution.

**Ratio of Total Assets to Total Liabilities** – The total assets of a city divided by the total liabilities of a city.

**Reserve** – An account used to record a portion of the fund balance as legally segregated for a specific use.

**Resolution** – A special order of the City Council which has a lower legal standing than an ordinance. The City's budget is adopted via a Resolution of Appropriation.

**Revenues** – Amount received for taxes, fees, permits, licenses, interest, intergovernmental sources, and other sources during the fiscal year.

**Salaries and Benefits** – A budget category which generally accounts for full-time and temporary employees, overtime expenses, and all employee benefits such as medical, dental, and retirement.

**Undesignated Fund Balance** – Accounts used to record a portion of the fund balance not legally segregated for a specific used and, therefore, available for appropriation.

**APPENDIX B – SAMPLE QUESTIONNAIRE**

JANUARY 24, 2012

Julio Fuentes, City Manager  
 City of Alhambra  
 111 South First Street  
 Alhambra, CA 91801

Dear City Manager Fuentes,

The Los Angeles County Civil Grand Jury is currently conducting an investigation of governance, management, and fiscal health of charter cities in Los Angeles County. The enclosed questionnaire is being sent to charter cities to collect information on each City's practices in these areas. Under Penal Code sections 925 and 925A, the Grand Jury may investigate and examine the books and records of County and City operations. Penal Code section 921 gives the Grand Jury free access at all reasonable times to the examination of all public records within a County. The Civil Grand Jury has an aggressive schedule in completing this investigation and is requesting your timely cooperation in compliance with the above.

**Please send the completed questionnaire and documentation by Friday, February 10<sup>th</sup> to Alf Schonbach, Foreperson, at the address above.**

The questionnaire is available at <http://www.stellarsurvey.com/s.aspx?u=4C48DD07-A297-4313-ABC2-628535B7BE0F&> if you prefer to complete and submit it online. This will also allow you to upload requested support documentation. You were sent an email with this link on Monday, January 23<sup>rd</sup>.

The Grand Jury has retained the firm of Thompson, Cobb, Bazilio & Associates (TCBA) to assist in this investigation. TCBA is administering the survey, will be reviewing information submitted, and conducting follow-up site visits with selected charter cities. If you have any questions please contact Scott Bryant with TCBA at [sbryant@tcbacal.com](mailto:sbryant@tcbacal.com).

Sincerely,

Alf Schonbach  
 Foreperson

Enclosure: Charter City Questionnaire

**Governance**

1. Has the City Council developed and adopted a strategic plan that articulates the mission, vision, core values and priorities (goals and objectives) for the City?
  - Yes
  - No
2. Has the City Council adopted performance measures or indicators to evaluate outcomes or progress on priorities?
  - Yes
  - No
3. Does your City have a formal policy, agreement, or other document that clearly defines the roles of the City Council and executive (City Manager or Administrator) and their relationship?
  - Yes
  - No
4. Does the City Council establish specific goals for the Executive at least annually?
  - Yes
  - No
5. Does the City Council conduct a meaningful evaluation of the Executive’s performance at least annually?
  - Yes
  - No
6. Has the City Council adopted and does it enforce a formal “Conflict of Interest” policy?
  - Yes
  - No
7. Has the City Council adopted “Investment” policy?
  - Yes
  - No
8. Please provide copies of the
  - strategic plan and performance measures or indicators,
  - formal agreement or other document that clearly defines the roles of the Board and executive and their relationship,
  - the specific goals most recently established for the Executive,
  - adopted “Conflict of Interest” policy, and
  - adopted “Investment” policy.
9. Please provide any comments or explanations regarding your responses on governance:

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**Audit Committee**

- 10. Does your City have an audit committee that is formally established by charter, enabling resolution, or other appropriate legal means?
  - Yes
  - No
- 11. Is the audit committee directly responsible for the appointment, compensation, retention, and oversight of the work of independent accountants engaged to perform independent audit, review, or attestation services?
  - Yes
  - No
- 12. Do such independent accountants report directly to the audit committee?
  - Yes
  - No
- 13. Please provide a copy of the action formally establishing the audit committee.
- 14. Please provide any comments or explanations regarding your responses on audit committees:

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**Audit Procurement**

- 15. Do your City’s audit contracts require auditors of financial statements conform with the independence standard defined in the General Accounting Office’s *Government Auditing Standards*?
  - Yes
  - No
- 16. In selecting independent auditors does your City undertake a full-scale competitive process at the end of the term of each audit contract?
  - Yes
  - No
- 17. Does your City have a formal policy requiring that the independent auditor be replaced at the end of the audit contract?
  - Yes
  - No
- 18. Does your City allow the independent auditor to provide non-audit services to the City?
  - Yes
  - No

19. If yes, does the Audit Committee review and approve these services?

- Yes
- No

20. Please provide a copy of the formal policies related to audit procurement.

21. Please provide any comments or explanations regarding your responses on audit procurement:

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**Accounting Policies and Procedures**

22. Are accounting policies and procedures formally documented in an accounting policies and procedures manual?

- Yes
- No

23. Are accounting policies and procedures reviewed annually and updated at least once every three years on a predetermined schedule?

- Yes
- No

24. Do the accounting policies and procedures specifically define the authority and responsibility of all employees, including the authority to authorize transactions and the responsibility for safekeeping of assets and records?

- Yes
- No

25. Please provide a copy of the accounting policies and procedures manual.

26. Please provide any comments or explanations regarding accounting policies and procedures:

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**Reporting of Fraud, Abuse, and Questionable Practices**

- 27. Does your City have policies and procedures to encourage and facilitate the reporting of fraud or abuse and questionable accounting or auditing practices?
  - Yes
  - No
- 28. Does your City have a formally adopted and widely distributed and publicized ethics policy?
  - Yes
  - No
- 29. Does your City have a practical mechanism, such as a fraud hotline, to permit the confidential, anonymous reporting of concerns about fraud, abuse, or questionable practices?
  - Yes
  - No
- 30. Are concerns received regarding fraud, abuse, or questionable practices reviewed by internal auditors, with documentation reviewed by the Audit Committee.
  - Yes
  - No
- 31. Please provide a copy of the ethics policy and information on mechanisms for reporting concerns of fraud, abuse, or questionable practices.
- 32. Please provide any comments or explanations regarding reporting of fraud, abuse, and questionable practices:

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**Internal Controls**

- 33. Are internal control procedures over financial management formally documented?
  - Yes
  - No
- 34. Do internal control procedures include practical means for lower level employees to report instances of management override of controls?
  - Yes
  - No
- 35. Are internal control procedures evaluated to determine if those controls are adequately designed to achieve their intended purpose, have actually been implemented, and continue to function as designed?
  - Yes
  - No
- 36. Are potential internal control weaknesses documented in exception reports?
  - Yes

No  
37. Is there a process in place to identify changes in what is being controlled or controls themselves, and corrective action plans are developed with an appropriate timeline?

- Yes
- No

38. Please provide a copy of the internal control procedures over financial management.

39. Please provide any comments or explanations regarding your responses on internal controls:

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**Internal Audit**

40. Does your City have an internal audit function formally established by charter, enabling resolution, or other legal means?

- Yes
- No

41. Is the work of the internal audit function conducted in accordance with the U.S. General Accounting Office’s *Government Auditing Standards*?

- Yes
- No

42. Are all reports of the Internal Audit function provided to or available to the Audit Committee?

- Yes
- No

43. Please provide a copy of the formal action establishing the internal audit function.

44. Please provide any comments or explanations regarding your responses on internal audit:

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**General Fund Unrestricted Fund Balance**

- 45. Does your City have a formal policy on the level of unrestricted fund balance to be maintained in the General Fund?
  - Yes
  - No
- 46. Does this policy require an unrestricted fund balance of no less than two months of regular general fund operating revenues or regular general fund operating expenditures?
  - Yes
  - No
- 47. Please provide a copy of the formal policy on the level of unrestricted fund balance to be maintained in the General Fund.
- 48. Please provide any comments or explanations regarding your responses on general fund unrestricted fund balance:

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**Financial and Public Reporting Practices**

- 49. Does your City maintain an accounting system adequate to provide all the data needed for the timely preparation of financial statement for the entire entity in conformity with Generally Accepted Accounting Principles (GAAP)?
  - Yes
  - No
- 50. Does your City issue timely financial statements for the entire financial reporting entity in conformity with GAAP as part of a Comprehensive Annual Financial Report (CAFR)?
  - Yes
  - No
- 51. Has your City’s financial statements been independently audited in accordance with either generally accepted auditing standards (GAAP) or Government Auditing Standards (GAS)?
  - Yes
  - No
- 52. Are the annual budget documents or CAFR for your City published and readily accessible to the general public on your City’s website?
  - Yes
  - No

53. Please provide any comments or explanations regarding your responses on financial and public reporting practices:

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**Employee Compensation**

54. Please provide a list of all employees with total compensation for CY 2011 in excess of \$175,000 as reported to the Internal Revenue Service (IRS). Please provide detail about the compensation for each employee (salary, overtime, car allowance, vacation payout, sick leave payout, etc.).

55. Please provide any comments or explanations regarding employee compensation:

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**Procurement and Contracting**

56. Does your City have formally adopted policies and procedures defining competitive bidding requirements and practices for the procurement of goods and services?

- Yes
- No

57. Does your City Charter or City ordinance provide exemption from competitive procurement requirements of California’s Public Contracting Code?

- Yes
- No

58. Does your City have formally adopted policies and procedures for documenting compliance with procurement requirements?

- Yes
- No

59. Does your City have formally adopted policies and procedures for selecting firms that provide architectural and engineering services?

- Yes
- No

60. Does your City have formally adopted policies and procedures for ensuring that prices for negotiated contracts are fair and reasonable?

- Yes
- No

61. Does your City have formally adopted policies and procedures for ensuring that prices negotiated for contract change orders are fair and reasonable?
- Yes
  - No
62. Does your City have formally adopted policies and procedures establishing internal controls over sole-source contracting?
- Yes
  - No
63. Does your City have formally adopted policies and procedures establishing internal controls over contract change orders?
- Yes
  - No
64. Does your City have formally adopted policies and procedures for providing contract compliance and oversight?
- Yes
  - No
65. Please provide copies of the:
- formal policy defining competitive bidding requirements and practices for the procurement of goods and services,
  - City Charter or City ordinance providing exemption from competitive procurement requirements of California’s Public Contracting Code,
  - formally adopted policies and procedures for documenting compliance with procurement requirements,
  - formally adopted policies and procedures for selecting firms that provide architectural and engineering services,
  - formally adopted policies and procedures for ensuring that prices for negotiated contracts are fair and reasonable,
  - formal policy establishing internal controls over sole-source contracting,
  - formal policy establishing internal controls over contract change orders,
  - formal policy and procedures for providing contract compliance and oversight.
66. Please provide any comments or explanations regarding your responses on procurement and contracting:

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**Please provide the contact information for the individual with primary responsibility for completing this survey:**

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Phone:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**APPENDIX C – POSITIONS WITH COMPENSATION OVER \$200,000 IN 2011**

<b>City</b>	<b>Title</b>	<b>Taxable Compensation<sup>1</sup></b>
Alhambra	City Manager	\$ 209,942.00
Arcadia	City Manager	\$ 281,558.96
Bell	Director of Administrative Services	\$ 215,938.50
Burbank	City Manager	\$ 241,288.11
Burbank	City Attorney	\$ 214,025.88
Burbank	General Manager - Water & Power	\$ 209,822.95
Burbank	Police Lieutenant	\$ 208,317.02
Burbank	Fire Battalion Chief	\$ 205,053.54
Cerritos	City Manager	\$ 246,021.60
Compton	City Manager	\$ 243,298.44
Culver City	City Manager	\$ 272,005.66
Culver City	City Attorney	\$ 244,560.41
Culver City	Assistant Police Chief	\$ 234,532.42
Culver City	Police Chief	\$ 232,422.86
Culver City	Fire Chief	\$ 226,679.96
Culver City	Police Lieutenant	\$ 225,130.38
Culver City	Chief Information Officer	\$ 218,233.23
Culver City	Fire Battalion Chief	\$ 215,481.40
Culver City	Assistant Fire Chief	\$ 213,028.12
Culver City	Chief Financial Officer	\$ 210,714.21
Culver City	Assistant City Manager	\$ 210,260.46
Culver City	Fire Captain	\$ 209,288.04
Culver City	Public Works Director /City Engineer	\$ 206,377.11
Culver City	Fire Battalion Chief	\$ 201,591.21
Downey	Fire Chief	\$ 405,943.03
Downey	City Manager	\$ 265,608.99
Downey	Deputy City Manager	\$ 231,955.45
Downey	Police Officer	\$ 213,097.40
Downey	Police Chief	\$ 212,928.47
Downey	Battalion Chief	\$ 207,898.70
Downey	Assistant Fire Chief	\$ 207,248.17
Downey	City Manager	\$ 204,495.80
Downey	Fire Battalion Chief	\$ 203,920.95
Glendale	General Manager - GWP	\$ 243,402.57
Glendale	City Manager	\$ 222,891.12

<b>City</b>	<b>Title</b>	<b>Taxable Compensation<sup>1</sup></b>
Glendale	Police Chief	\$ 218,729.74
Inglewood	Police Sergeant	\$ 212,802.00
Inglewood	Chief of Police	\$ 206,189.00
Lancaster	City Manager	\$ 253,988.33
Palmdale	City Attorney	\$ 293,249.82
Palmdale	City Manager	\$ 289,579.55
Palmdale	Public Works Director	\$ 214,725.58
Pasadena	City Manager	\$ 266,399.83
Pasadena	City Attorney/City Prosecutor	\$ 232,713.98
Pasadena	Police Chief	\$ 221,654.83
Pasadena	Assistant City Manager	\$ 221,026.29
Pasadena	Assistant City Manager	\$ 216,907.65
Pasadena	General Manager - Water & Power	\$ 215,942.17
Pasadena	Fire Battalion Chief	\$ 212,405.11
Pasadena	Director Of Finance	\$ 207,890.77
Pasadena	Deputy Fire Chief	\$ 207,611.30
Pasadena	Fire Battalion Chief	\$ 200,397.56
Redondo	City Attorney	\$ 283,416.64
Redondo	City Manager	\$ 251,011.96
Redondo	Fire Division Chief	\$ 209,197.82
Redondo	Fire Captain	\$ 205,575.84
Redondo	Firefighter/Paramedic	\$ 201,541.31
Santa Monica	City Manager	\$ 301,072.56
Santa Monica	Police Sergeant	\$ 273,166.58
Santa Monica	Police Sergeant	\$ 256,502.37
Santa Monica	City Attorney	\$ 251,648.36
Santa Monica	Assistant City Attorney	\$ 246,731.46
Santa Monica	Police Officer	\$ 243,765.85
Santa Monica	Police Chief	\$ 237,104.80
Santa Monica	Fire Captain	\$ 233,209.13
Santa Monica	Deputy Police Chief	\$ 229,093.34
Santa Monica	Fire Captain	\$ 229,050.15
Santa Monica	Cultural Services Director	\$ 228,569.36
Santa Monica	Police Sergeant	\$ 226,947.75
Santa Monica	Fire Captain	\$ 224,907.60
Santa Monica	Fire Captain	\$ 222,225.06
Santa Monica	Deputy City Attorney	\$ 221,989.11

<b>City</b>	<b>Title</b>	<b>Taxable Compensation<sup>1</sup></b>
Santa Monica	Fire Chief	\$ 221,113.52
Santa Monica	Assistant City Manager	\$ 219,885.25
Santa Monica	Police Officer	\$ 219,595.81
Santa Monica	Fire Chief	\$ 218,182.82
Santa Monica	Firefighter	\$ 217,518.11
Santa Monica	Police Sergeant	\$ 217,352.26
Santa Monica	Paramedic	\$ 216,518.83
Santa Monica	Fire Captain	\$ 216,472.66
Santa Monica	Chief Deputy City Attorney	\$ 216,429.70
Santa Monica	Senior Land Use Attorney	\$ 215,427.39
Santa Monica	Deputy City Attorney	\$ 214,940.57
Santa Monica	Fire Battalion Chief	\$ 214,051.84
Santa Monica	Firefighter	\$ 212,907.55
Santa Monica	Deputy City Attorney	\$ 212,782.90
Santa Monica	Police Captain	\$ 211,360.32
Santa Monica	Deputy City Attorney	\$ 210,639.45
Santa Monica	Firefighter	\$ 208,278.95
Santa Monica	Firefighter	\$ 207,549.77
Santa Monica	Fire Captain	\$ 207,211.34
Santa Monica	Firefighter	\$ 206,055.11
Santa Monica	Fire Captain	\$ 205,961.85
Santa Monica	Fire Captain	\$ 205,163.90
Santa Monica	Deputy City Attorney	\$ 204,552.72
Santa Monica	Chief Deputy City Attorney	\$ 203,341.32
Santa Monica	Fire Captain	\$ 201,803.49
Santa Monica	Deputy City Attorney	\$ 200,045.93
Signal Hill	City Manager	\$ 230,107.83
Temple City	City Manager	\$ 218,414.73
Torrance	City Manager	\$ 340,897.37
Torrance	Attorney, City	\$ 297,578.06
Torrance	Police Chief	\$ 295,559.73
Torrance	Fire Chief	\$ 281,628.30
Torrance	Police Captain	\$ 267,043.76
Torrance	Police Lieutenant	\$ 253,449.15
Torrance	Deputy Fire Chief	\$ 251,492.77
Torrance	Assistant City Manager	\$ 248,030.95
Torrance	Police Lieutenant	\$ 246,396.14

City	Title	Taxable Compensation <sup>1</sup>
Torrance	Police Captain	\$ 244,804.79
Torrance	Fire Battalion Chief	\$ 240,358.47
Torrance	Police Lieutenant	\$ 240,339.46
Torrance	Police Captain	\$ 236,248.24
Torrance	Police Captain	\$ 233,873.90
Torrance	Police Sergeant	\$ 230,199.99
Torrance	Public Works Director	\$ 229,937.26
Torrance	Fire Battalion Chief	\$ 229,613.64
Torrance	Community Development Director	\$ 229,498.43
Torrance	Police Sergeant	\$ 229,270.95
Torrance	Finance Director	\$ 226,100.97
Torrance	Police Officer	\$ 223,133.55
Torrance	Fire Battalion Chief	\$ 221,462.68
Torrance	Police Sergeant	\$ 219,323.04
Torrance	Police Captain	\$ 219,059.54
Torrance	Fire Engineer	\$ 209,961.09
Torrance	Fire Captain	\$ 209,129.50
Torrance	Info Technology Director	\$ 206,835.59
Torrance	Police Lieutenant	\$ 206,731.05
Torrance	Police Sergeant	\$ 206,358.35
Torrance	Police Officer	\$ 204,688.65
Torrance	Fire Captain	\$ 203,987.86
Torrance	Fire Captain	\$ 203,820.89
Torrance	Police Sergeant	\$ 203,739.43
Torrance	Police Lieutenant	\$ 203,715.95
Torrance	Fire Captain	\$ 202,604.14
Torrance	Police Sergeant	\$ 201,050.96
Vernon	Finance Director	\$ 280,418.00
Vernon	Chief Deputy City Attorney	\$ 239,794.00
Vernon	Director of Community Services	\$ 228,432.00
Vernon	Fire Chief	\$ 225,932.00
Vernon	Engineering Manager	\$ 212,542.00
Whittier	City Manager	\$ 219,052.37

<sup>1</sup> Note: May include payouts for accumulated vacation or sick leave, and for overtime.

## APPENDIX D – CITIES’ COMMENTS AND ADDITIONAL DOCUMENTATION FROM QUESTIONNAIRE

### Alhambra

#### 1. Governance

City Council developed mission, vision, core values and 3 year goals during strategic planning session. Included SWOT analysis and assignment of responsibility. Serve as goals for the City Manager / Executive Team. Roles are defined in the City Charter. Conflict of Interest Policy adopted by Council Resolution 1/30/2012. Investment policy presented and approved by City Council at least annually.

#### 2. Audit Committee / Audit Procurement

The City Council would act as the audit committee, final audit is presented to the City Council by the Independent Auditor. No specific policy for audit procurement, follows policies for procuring professional services.

#### 3. Accounting Policies and Procedures / Internal Controls

Accounting Manual provided (340 pages). Appears to have been last updated March 1997. No specific internal controls policies and procedures provided. Employee reporting of Internal Control override according to Federal Whistleblower Act.

#### 4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit

Code of Ethics adopted by resolution 12/16/2002.

#### 5. Financial and Public Reporting Practices / General Fund Unrestricted Balance

Council adopted policy by resolution on unrestricted fund balance consistent with GASB Rule 54.

#### 6. Procurement and Contracting

Summary of competitive bidding policy and procedures provided. Sole source allowed if item only available from one source. Also rely on State Contracting Code and Green Book for Public Works contracting.

### Arcadia

#### 1. Governance

Roles defined in the City Charter. Goals for the City Manager outlined in the budget. Investment policy provided.

#### 2. Audit Committee / Audit Procurement

(No notes)

#### 3. Accounting Policies and Procedures / Internal Controls

Basic policies and procedures with no discussion of internal controls.

**4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

No formal ethics policy provided. State that concerns are reviewed internally by the Administrative Services Director. No information provided on the Internal Audit function.

**5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**  
(No comments)

**6. Procurement and Contracting**

Purchases in excess of \$5,000 require a competitive bid process. Procedures for emergency purchases are outlined. Exceptions include when only available from one vendor, or with the approval of the City Manager. Sole source and change order procedures provided.

**Bell**

**1. Governance**

Major City goals established for FY 2012-13, Roles defined in City Charter, Conflict of Interest Policy adopted by Resolution Sept. 2010. Investment Policy adopted by Resolution May 2005.

**2. Audit Committee / Audit Procurement**  
(No additional comments)

**3. Accounting Policies and Procedures / Internal Controls**  
(No additional comments)

**4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**  
Adopted a “Code of Ethics and Values” and “Fraud Prevention” policy in July 2008.

**5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**  
(No additional comments)

**6. Procurement and Contracting**  
(No additional comments)

**Burbank**

**1. Governance**

Comprehensive strategic plan entitled “Our Plan, Our Future, Our Burbank – A Strategic 10 Year Plan for the City of Burbank 2011-2021” Presents very well structured mission, goals and specific objectives. Key performance indicators provided in the annual budget for each Department tied to specific goals and strategies. Performance indicators are quantified, and information for most provided for a 3 year period. Role and duties of the City Manager defined by the City Charter and employment agreement. Very specific goals established for the City Manager for FY 2010-11 including Balanced and Strategic 5-Year Budget, Improved Communication, Business Process Improvement, Continued

Environmental Leadership, and Improved Disaster Preparedness, Economic Development, and Address Police issues. Annual evaluation of the City Manager required by the employment agreement. Adopted a Conflict of Interest Policy and code in conformity with state law. Adopts investment policy annually.

## **2. Audit Committee / Audit Procurement**

The Council Audit Sub-Committee, which includes two city council members, reviews and approves all financial audit services.

## **3. Accounting Policies and Procedures / Internal Controls**

City currently in the process of establishing Accounting Policies and Procedures and documenting internal controls. Internal controls are reviewed as part of the annual audit.

## **4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

City currently finalizing a formal fraud policy. Fraud documentation reviewed by the Council Audit Sub-Committee. Internal auditors perform transient occupancy and parking audits and some specialty audits. Follow AICPA standards.

## **5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

Financial policy requires a designated General Fund working capital reserve equivalent to 15% of the General Fund's operating budget and a designated emergency reserve equivalent to 5% of the General Fund's operating budget.

## **6. Procurement and Contracting**

City code and policy requires competitive procurement except in specific circumstances including purchases under \$5,000, when obtainable from only one vendor, when unique, and in emergencies. Documentation is required. Change orders for public works construction works street projects are done based on unit prices fixed by the contractors bid. Other change orders negotiated pursuant to contract terms. Policies provide for a negotiated proposal process for professional services where the most qualified is identified and the fee and payment schedule is negotiated. Amendments to contracts (change orders) must go through a formal approval process.

## **Cerritos**

### **1. Governance**

No "strategic plan" with mission, vision, core values, and goals provided. The budget (Combined Financial Program) provides financial objectives and some activity descriptions and objectives for individual departments. Also provides some activity and activity workload indicators, but no performance indicators focused on outcomes or effectiveness of activities. The eligibility, powers, duties, etc. for the City Manager defined in the City Charter and Municipal Code.

Stated City Manager goals defined in the performance evaluation process.

Conflict of Interest policy adopted by resolution November 2010. Investment policy provided – adopted annually with budget.

## **2. Audit Committee / Audit Procurement**

Audit Committee is a management practice – includes Director of Administrative Services, Budget Manager, Finance Manager, finance and MIS staff. Audit contract prohibits conflicts and statement of independence in compliance with standards included in selected audit firm's proposal. Bid from selected audit firm indicates competitive process for selection. Contract term is for 2010, 2011, 2012 with the option to extend for 2 subsequent years.

## **3. Accounting Policies and Procedures / Internal Controls**

Provided a statement that desk manual with appropriate guidance for finance staff exist for key functions and include documentation of internal control procedures. Copies not provided due to proprietary and confidential information contained in them. Unable to determine when developed or review / update schedule. Internal control flow charts for FY 2009 from independent auditors provided. Stated exception reports and correction action plans for control weaknesses would be developed by external auditors. All employees can report inappropriate override of internal controls to the Human Resources Division.

## **4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

Council adopted "Travel Expense Reimbursement and Ethics Training Policy" in May 2006. Focused on ethics related to travel and reimbursement for expenses. Council also given information on ethics at the Oct. 16, 2004 City Council meeting. State audit / finance functions authorized by City Charter – Charter does not include an internal audit function.

## **5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

In the comments they state that reserves generally have been significantly in excess of two months of regular general fund operating revenues (and often in excess of one year of such revenues), the City has opted not to establish a fund balance policy. There has been a concern that such a policy, in our situation, actually could encourage additional spending of reserves – resulting in a reduction to the adopted level.

## **6. Procurement and Contracting**

Municipal Code requires purchases by formal or informal bid except for emergencies or obtainable from only a single or sole source. Also provides an exemption if the City Council has determined in the best interest of the City to do so. RFP's for architectural / engineering services procurements include consideration of fees and Municipal Code requires purchases by formal or informal bid except for emergencies or obtainable from only a single or sole source. Also provides an exemption if the City Council has determined in the best interest of the City to do so. RFP's for architectural / engineering services procurements include consideration of fees and resources required to perform the requested services.

## **Compton**

### **1. Governance**

Roles are defined in the City Charter - Charter specifically defines the relationship between the Council and Manager (Section 2-2.8). Goals not set for City Manager due to search being conducted for new City Manager. Code of ethics included in the “Standard Operating Manual” and effective April 1997 City Council adopted updated “Conflict of Interest Code” November 2010. Follow FPPC requirements for ethics training. Adopted annual statement on investment policy for FY 2010-11 March 2011.

### **2. Audit Committee / Audit Procurement**

City Council is the Audit Committee – given the responsibility by the Charter. City Controller point of contact for the audit contractor. Audit RFP provided – specifically states audit to be conducted in accordance with multiple audit standards. Also requires specific affirmative statement on independence. RFP indicates selection is through a competitive process. Term is for 2010, 2011, and 2012 with a one-time option of a 2 year extension.

### **3. Accounting Policies and Procedures / Internal Controls**

Financial Policies and Procedures and Internal Controls provided. Adopted by City Council June 2009. No regular schedule for review and update. States the City Council authorizes the City Manager to periodically review and amend as necessary.

### **4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

No formal ethics policy, follow FPPC rules and have annual ethics training. Internal Auditor reports to the City Controller, who is appointed by the City Council. Policies state the International Standards for the Professional Practice of Internal Auditing published by the Institute of Internal Auditors (IIA) serve as guidelines for internal audit activities.

### **5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

CAFR available in the City Clerk’s Office and on the City’s website. General Fund reserve listed in TOC of Financial Policies and Procedures Manual (Section 4.1) but not provided, Not mentioned in investment policy.

### **6. Procurement and Contracting**

Procurement policies require competitive bid for purchases estimated to cost \$7,500 or more. Non-competitive procurement is allowed when only one vendor is qualified, an emergency exists, or competition is determined to be inadequate. Policy requires agencies to document details of non-competitive procurements. No specific policies regarding architectural or engineering procurements, fair prices for negotiated contracts or change orders. No specific policies on contract compliance and oversight.

## **Culver City**

### **1. Governance**

City goals outlined in the City Manager's budget message and the work plans for each department. State that much of the City's strategic planning has focused around the budget process since the economic downturn in 2008. Roles defined in the City Charter. City Manager goals outlined in the work plans for the City Manager's Office in the annual budget. Conflict of Interest and Investment policies adopted.

### **2. Audit Committee / Audit Procurement**

State that the Finance and Judiciary Committee established by municipal code serve as the Audit Committee (code provides no role in audit). Also state the independent auditors and City Manager meets with the Committee to the report.

Contract indicates the independent auditor is selected through a competitive RFP process. City Council requires competitive selection at least every five years.

### **3. Accounting Policies and Procedures / Internal Controls**

Accounting manual develop February 2006 – state they are currently reviewing and updating. City Council financial policies revised in June 2009. No information on internal controls provided.

### **4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

City Charter section stating: "it is the policy of the City that all officers and employees of the City shall observe the highest standards of ethics." State that individuals can send anonymous letters to the City. The few allegations have been investigated. State that given its size there is no internal audit function. The CFO / Treasurer has the authority to investigate irregularities.

### **5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

State the City is in the process of procuring a new financial system. City Council adopted financial policies in June 2009 including a goal of maintaining a general operating reserve of, at a minimum, 25% of projected General Fund operating expenditures and an additional 5% for emergency situations.

### **6. Procurement and Contracting**

Procurement policies require formal bid for purchases over \$30,000, and informal bid for purchases between \$2,500 and \$30,000. Personal and professional services (architectural/engineering) are exempt from competitive bidding. Other specific exemptions provided, including sole source and emergencies. Specific policies and procedures exist for change orders, but do not include fair pricing provisions.

## **Downey**

### **1. Governance**

City Council developed and ranked goals and departmental priorities in 2009 and had a follow-up in January 2012 of City Council priorities for 2012. No mission, vision, core

values, or SWOT analysis. Performance measure information provided for most departments in the budget document. Most measures are process or workload indicators – little or no outcome or results information. Duties of Council and City Manager defined in the City Charter. Goals for City Manager same as goals identified as City Council priorities for 2012. Conflict of Interest Code adopted October 2010. Policy for ethics training adopted in November 2006. Investment policy adopted February 2011.

## **2. Audit Committee / Audit Procurement**

Stated the Budget Committee is an “Audit/Budget Committee.” Only referred to as the “Budget Committee in committee assignments – no indication this committee plays a role in the annual independent audit. State accountants report directly to the Finance Director who reports to the Audit/Budget Committee.

## **3. Accounting Policies and Procedures / Internal Controls**

Policies and procedures contained in the “administrative regulations” provided. Many adopted in the 1980’s and early 1990’s with no evidence of more recent review or revision. No documentation of internal controls provided.

## **4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

State reporting of fraud is through unrestricted accessibility to the City Manager, Assistant City Manager, City Attorney, and Human Resources. No documentation of internal audit function or standards.

## **5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

State a policy exists defining unrestricted fund balance; however levels of unrestricted fund balances evaluated on an annual basis by the City Council.

## **6. Procurement and Contracting**

Only documentation provided is for professional services, requiring competitive procurement over \$10,000.

## **Glendale**

### **1. Governance**

Budget document includes strategic goals adopted by the City Council. Also presents accomplishments and initiatives, “quick facts” and performance measures for each strategic goal. Annual report 2011-12 provides an overview of the City’s operations and provides key performance measures for each strategic objective. Measures are quantified, and include the 2011 target and actual and the target for 2012. Roles defined in the City Charter. City Manager goals are part of the performance evaluation process and considered confidential. Conflict of Interest and Investment policies adopted.

### **2. Audit Committee / Audit Procurement**

Specific Audit Committee established in the municipal code with specific duties. Five members from the Community. Compliance with GAO standards included in the contract scope of work. RFP process required every 3 years, can hire the same firm if most qualified and competitive bid.

### **3. Accounting Policies and Procedures / Internal Controls**

Comprehensive accounting manual with revision dates, many within the past 3 years. Other policies indicated no updates for many years. Specific internal controls and steps provided.

### **4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

City maintains an “ethics hotline” which is accessed and reviewed by the Human Resources Director and Internal Audit for appropriate response. City Auditor (Internal Audit) created in municipal code and given duties including internal audit.

### **5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

Charter has a requirement for a general reserve fund to maintain the City on a cash basis. State that the City’s general fund reserve limit is set by Council policy and is revisited each year in January after all financial reports are complete. The last time the policy was altered was in 2006 when the reserve amount was lowered from 35% of the City’s general fund operating budget to 30%.

### **6 Procurement and Contracting**

Procurement policies require formal bid for purchases over \$50,000, and informal bid for purchases under \$50,000. Policies and procedures for sole source and emergency purchases provided. Specific policies and procedures exist for change orders, but do not include fair pricing provisions.

## **Industry**

### **1. Governance**

Roles defined in the City Charter. Conflict of interest and Investment policies adopted.

### **2. Audit Committee / Audit Procurement**

Engagement letter with independent letter references independence standard.

### **3. Accounting Policies and Procedures / Internal Controls**

Some policies and procedures on internal controls provided.

### **4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

(No additional comments)

### **5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

Stated the city is in the process of updating its website and city officials will consider posting the annual financial statements at a later date.

## **6. Procurement and Contracting**

Municipal code establishes basic procurement policies and procedures. Projects under \$30,000 can be procured through negotiated contract or purchase order. Under \$125,000 by informal bid process. Projects over \$125,000 require formal bid process.

### **Inglewood**

#### **1. Governance**

City Charter provided as defining role of Executive - City Administrator responsibilities and qualifications listed. A draft “Ethical Standards and Conflict of Interest Guidelines” was developed in February 2012 – has not been adopted by City Council. Investment policy and guidelines adopted by City Council on December 11, 2007.

#### **2. Audit Committee / Audit Procurement**

City is in the process of developing an audit committee to review the City’s investments and policy and provide oversight of the financial audit. The Charter requires the City Council to employ a public accountant, but does not specify how they are to be procured, the term of the contract, or provision of non-audit services.

#### **3. Accounting Policies and Procedures / Internal Controls**

Financial policies are fairly general and brief (6 pages), have no dates or updates. Stated all accounting policies and procedures are currently being reviewed in order to update for internal controls and document procedures.

#### **4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

City has developed a draft “Fraud In The Workplace Policy/Procedures.” Not clear how current fraud and abuse concerns are currently addressed.

#### **5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

Inglewood does not produce a CAFR, only basic financial statements, which are available on the City’s website. City financial policy states “It is the policy of the City of Inglewood to establish and maintain at least a reserve fund balance for the General Fund equal to 8% of the current year’s expenditure appropriations and adequate operating reserves for all other funds to be reviewed at least annually.” No evidence adopted by City Council. Unreserved fund balance at the end of FY 10 was –18%.

## **6. Procurement and Contracting**

Inglewood Municipal Code provides specific exceptions to competitive bidding. Instructions for making a sole-source purchase were provided.

### **Irwindale**

#### **1. Governance**

Strategic plan outlining mission and goals, as well as objectives for each City Department contained in the City budget. Includes how each objective will be accomplished, measured and tracked – could be improved with more quantitative performance measures. City Manager duties outlined in the City Charter and municipal code. No

specific goals for the City Manager provided. Conflict of Interest Policy adopted by City Council by resolution on Sept. 24, 2008. Investment Policy ratified by City Council by resolution on June 22, 2011.

**2. Audit Committee / Audit Procurement**

Mayor and City Council serve in the capacity of the audit committee, and independent audit report presented to them as required by State law. The City does not have a formal policy relating to the use or procurement of independent auditors, uses policies for professional services. Required the current audit firm to change partners upon completion of the contract ending for FY 2008-09. It is Staff’s intent to pursue a request for proposals process following the termination of this current contract. We do not use our auditor for non-audit services.

**3. Accounting Policies and Procedures / Internal Controls**

Accounting policies and procedures were updated and documented in 2008 and again in December 2010 with the implementation of a new financial system. Will put in place a schedule to maintain the accounting policies and procedures updated on a regular basis, not to exceed every three years. The only procedures that have not been updated in the last three years are for fixed assets. Internal control procedures included in the Accounting Policy and Procedures. Independent auditors spend two weeks reviewing and evaluating internal controls, provide City Council with a “Report on Internal Control over Financial Reporting and on Compliance and other matters based on an audit of Financial Statements performed in accordance with Governmental Auditing Standards” which would outline any deficiencies or material weaknesses in internal controls. Should weaknesses be noted, corrective action plans would be required which include a timeline. The City maintains a locked comment box in our employee lunch room whereby information is shared anonymously if needed. Only the human resources department has access to this box.

**4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

City Council adopted ethics policy by resolution July 2007. Copy of ethics code included with each City Council agenda. State that being a small City, the cost of maintaining an internal audit function would most likely outweigh any benefit derived.

**5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

Received GFOA Certificate of Achievement for Excellence in Financial Reporting. City Council passed a fund reserve policy in June 2011 requiring at least \$5 Million with the intent to provide a minimum of 3 months operating expenditures.

**6. Procurement and Contracting**

The City does not have formally adopted policies and procedures relating to procurement and contracting. A draft Purchasing Policy is anticipated to be considered by the City Council in March 2012. The City has adopted the State of California Public Contract Code, Standard for Public Works Construction, and State of California Department of Transportation Construction contract Administration, which are used for all public works contracts and address items 61 and 64.

## **Lancaster**

### **1. Governance**

Strategic Plan from 2005 – provides vision and core values. Also provides goals for the period 2005-2007. More current goals and priorities are provided in the annual budget, which also presents the vision, mission, and core values. Role of the City Manager defined in Municipal Code. Goals for the City Manager outlined in his budget message. City Council adopted a conflict of interest policy by ordinance in February 1994. City Council adopted an investment policy by resolution in October 2011.

### **2. Audit Committee / Audit Procurement**

City Council action taken in 2008 to appoint a Council member as the audit representative. Selection of the auditor follows general procurement policies for professional services.

### **3. Accounting Policies and Procedures / Internal Controls**

Provided policies and procedures. No internal controls information provided.

### **4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

Code of ethics and conduct adopted. Policy on whistle blowing and retaliation allow employees to report retaliation to supervisor, manager, Human Resources, or the City Attorney.

### **5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

In 1996 the City Council established a policy to maintain an unallocated reserve in the General Fund equal to 10% of expenditures and transfers to buffer any unexpected change in the revenue / expenditure picture. Subsequent policy established a “financial stability reserve fund” to maintain service levels during economic downturns.

### **6. Procurement and Contracting**

Purchases under \$125,000 require written quotations, purchases over \$125,000 require formal bidding. Professional services over \$125,000 are through RFP and negotiations. Exceptions for emergencies and sole source are provided.

## **Palmdale**

### **1. Governance**

Strategic Plan covering 2008-13 provided. Includes mission, vision, values, strategic goals and action plans with responsibility assigned and expected completion dates. Included substantial community participation and assessments of external conditions and municipal services. Also included completion metrics. Roles of City Manager defined in municipal code. City Manager goals established during closed performance evaluation session with the City Council – considered confidential information. Conflict of Interest and Investment policies adopted.

### **2. Audit Committee / Audit Procurement**

Selection of the auditor follows general procurement policies for professional services.

### **3. Accounting Policies and Procedures / Internal Controls**

Policies and procedures provided – most adopted many years ago and indicate no review or revision dates. No internal controls information provided.

### **4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

State that policies, including fraud reporting, are informal, with a draft comprehensive policy in review. Concerns are reported to the City Manager or City Attorney. Human Resources policies prohibit retaliation. City provides ethics training as required.

### **5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

Adopted fund balance policy consistent with GASB 54 including minimum fund balance of 10% of the next year's annual budgeted operating expenditures.

### **6. Procurement and Contracting**

Purchases between \$2,500 and \$30,000 require a determination that the price is fair and reasonable. Purchases between \$30,000 and \$125,000 may be made through an information competitive process. Purchases over \$125,000 require a formal competitive process. Change order must be approved by City Manager and/or City Council.

## **Pasadena**

### **1. Governance**

City Council developed mission, vision, core values and three year goals in November 2010. Discussion included SWOT analysis. Also included specific strategies with responsibility assigned. Council reviews and updates every six months. Council and City Manager roles defined in the City Charter. No information on specific City Manager goals provided other than the strategic plan.

Conflict of Interest and Investment policies adopted.

### **2. Audit Committee / Audit Procurement**

The City Charter formally and specifically gives the Finance Committee the responsibility to “perform the functions of an audit committee.” RFP for audit requires compliance with standards, and indicates selection is competitive.

### **3. Accounting Policies and Procedures / Internal Controls**

Comprehensive policies and procedures – state in the process of updating some of the accounting policies and procedures. Comprehensive internal controls policies and procedures.

### **4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

“Ethical Standards for Employees” adopted by the City. Internal Audit policies and procedures developed in July 2002 outline specific standards for internal audit. State internal audit position was eliminated a year ago due to budget. Some duties were re-assigned to the Finance Director and Controller.

### **5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

Council updated its fund balance policy in 2011, including establishing an “emergency contingent commitment of General Fund of 20% of the General Fund annual appropriations for fiscal years beginning after FY 2014.

### **6. Procurement and Contracting**

Competitive bidding or competitive selection required for contracts over \$25,000. Exemptions include for emergencies, or when in the best interest of the City.

## **Pomona**

### **1. Governance**

Council developed mission, vision, motto, core values, and three year goals in June 2011 through a facilitated strategic planning session. Discussion included SWOT analysis. Also included specific strategies with responsibility assigned. Powers and duties of City Council and City Manager defined in the Municipal Code. Code also requires an annual evaluation of the City Manager. Conflict of Interest code adopted by resolution December 2010. Investment Policy adopted by resolution December 2010.

### **2. Audit Committee / Audit Procurement**

Municipal Code allows the accountant or firm to be designated annually for a period not exceeding three years.

### **3. Accounting Policies and Procedures / Internal Controls**

Finance and accounting policies and procedures very comprehensive and detailed. State that while the City of Pomona does not conduct a one-time annual review or on some other predetermined basis, the City Manager and Finance Director monitor trends, events and occurrences and make changes to policies and procedures as needed.

### **4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

Ethics policy and code adopted by City Council February 2006. Also a “fraud prevention” administrative policy and procedure in October 2008. Provides specific definitions of fraud and procedures for reporting and investigating allegations of fraud. Specifically directs employees to take reports to a higher level of management and/or the City Manager or designee.

### **5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

City Council adopted a Fund Balance policy in June 2011 by resolution – requires a committed fund balance equal to 17% of operating expenditures of the General Fund for operating contingencies and catastrophic events.

### **6. Procurement and Contracting**

Competitive bidding required for purchases over \$30,000 with specific exceptions including items only available from one source.

Comprehensive procurement policies and procedures including compliance with non-competitive procurement, negotiated process for architectural / engineering services, change orders, and compliance and oversight.

## **Redondo Beach**

### **1. Governance**

City Council developed mission, vision, core values and three year goals in September 2011 through a facilitated strategic planning session. Discussion included SWOT analysis. Also included specific strategies with responsibility assigned. City Manager also provided an update to City Council in January 2012. Information provided in the budget on the activities of each department. No performance indicators focused on outcomes or results. Duties of the City Manager defined in the municipal code. City Manager roles, responsibilities, and rules of conduct adopted in November 2011. City Manager performance evaluation guidelines and criteria, and sample evaluation form provided. Conflict of Interest and Investment policies adopted.

### **2. Audit Committee / Audit Procurement**

City Council adopted and appointed an Audit Committee as a standing committee in May 2008. Charter states audit contract is competitive upon the recommendation of the City Manager. City Financial Principles include the City routinely bidding for audit services, at a minimum, every five years, with audit contracts not exceeding 5 years at a time.

### **3. Accounting Policies and Procedures / Internal Controls**

Comprehensive policies and procedures –some with original and revision dates – others without. Many policies with revision dates over 3 years. City Charter assigns budgeting and financial management responsibilities to the elected City Clerk. Internal controls reviewed by the independent auditor.

### **4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

Comprehensive “Fraud in the Workplace” policy and procedures. Allows employees to take concerns to higher management or City manager and grants “whistle-blower” protection. Provides detailed steps for review and investigation of concerns.

### **5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

Policy adopted in December 2004 requiring the City to maintain a minimum reserve for contingencies equivalent to 8.33% of the General Funds in the current fiscal year budget.

### **6. Procurement and Contracting**

Purchases over \$5,000 require a sealed bid, except Public Works contracts under \$50,000. Change order policies and procedures adopted in August 1993.

## **Santa Monica**

### **1. Governance**

Biennial budget provides goals, objectives and service benchmarks for each department, including the City Manager. No performance measures showing results or outcomes. Roles defined by City Charter. Annual performance review of the City Manager by the City Council required by the City Manager’s contract. Conflict of Interest and Investment policies adopted.

### **2 Audit Committee / Audit Procurement**

State have an “informal” audit committee of City staff. Selection of the auditor follows general procurement policies for professional services.

### **3. Accounting Policies and Procedures / Internal Controls**

Have some accounting policies and procedures documented – but not complete. Internal controls reviewed by the independent auditor.

### **4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

No formal ethics policy, but active in promulgating instructions on ethical behavior and reviewing and investigating concerns. Internal audit Division not formally authorized, but referred to in policies and procedures developed for internal audit.

### **5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

Financial policies adopted with the budget include a policy that the City maintain a General Fund operating contingency equal to at least 10% of the following year’s General Fund operating and capital expenditures and subsidies to other funds.

### **6. Procurement and Contracting**

Competitive bidding required for purchases over \$100,000 with specific exemptions, including for professional services.

## **Signal Hill**

### **1. Governance**

Strategic Plan developed in 2005-06 – covers the period 2006-11. Includes the City’s mission and goals, ranked by priority. Includes a SWOT analysis and input from public meeting and employees. No performance measure information provided. Roles defined in the City Charter. City Manager outlined goals for the City Council’s review, and the City Council conducted an evaluation and amended the City Manager’s contract. Conflict of Interest and Investment policies adopted.

### **2. Audit Committee / Audit Procurement**

City could not locate information on the competitive selection of the auditor.

### **3. Accounting Policies and Procedures / Internal Controls**

Comprehensive policies and procedures – not clear when some were adopted or when last reviewed or revised. State review and revision is an ongoing process.

Comprehensive internal controls policy and checklists.

**4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

Adopted “Ethical Work Practices for Employees Conflict of Interest” policy in March 2001. Adopted a “Workplace Integrity and Fraud Prevention” policy in July 2010. Directs employees to report concerns to supervisor, manager, personnel manager, City Attorney, or City Manager.

State the internal audit function is part of the job descriptions of the finance staff..

**5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

Financial policies establish an “economic uncertainties” reserve and require the City maintain a combined General Fund reserve and economic uncertainties reserve equal to a minimum of six months operating expenses.

**6. Procurement and Contracting**

Municipal code requires all purchases over \$250 be made through bid, with those over \$15,000 by formal bid and contract. Exceptions include emergencies, only available from on vendor, or made under an open purchase order.

**Temple City**

**1. Governance**

City Council held a goal setting sessions in April and May 2011 – established goals for FY’s 2011-13 including a goal to formalize a long range strategic plan. In the process of formalizing the strategic planning process for the City Council by June 2012. Conflict of Interest Code adopted by resolution September 2010. Investment Policy receipt acknowledged by resolution June 2011.

**2. Audit Committee / Audit Procurement**

Selection of auditor follows procurement policy for professional services.

**3. Accounting Policies and Procedures / Internal Controls**

Accounting policies and procedures provided – not very detailed, only 5 pages. Adopted October 2002 with no indication of review or update. Includes basic information on internal controls. Accounting policies currently under review – will be completed June 2012. Internal controls reviewed annually by independent auditor.

**4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

No ethics policy provided other than Conflict of Interest Code.

**5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

The City does not develop a CAFR. The City’s website provides the basic financial statement for FY 2007-08 – more current financial statements not available on the City’s website. State the City will adopt a General Fund Reserve Policy by March 2012.

## 6. Procurement and Contracting

City policy requires purchases over \$25,000 to be made by formal bidding process. Current purchasing policy being reviewed, with a new policy to be adopted by June 2012. Change orders require Council approval.

### Torrance

#### 1. Governance

Comprehensive strategic plan including Mission, Vision Statement, Values, Citizen's Preamble, and Strategic Priorities (Goals). Also included specific sub-goals and an implementation plan, which serve as the goals for the City Manager. Roles defined in the Community and Employee guide books.

Conflict of Interest and Investment policies adopted.

#### 2. Audit Committee / Audit Procurement

(No Notes)

#### 3. Accounting Policies and Procedures / Internal Controls

Several policies and procedures provided – some have revision dates – others do not. Most show revision date of March 2002.

#### 4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit

State fraud concerns addressed by the Finance Director and Audit Manager. Code of Ethics adopted in April 2008. Audit Manager (internal audit) position created in 1998.

#### 5. Financial and Public Reporting Practices / General Fund Unrestricted Balance

(No notes)

#### 6. Procurement and Contracting

Purchases of \$40,000 or more require competitive procurement – provides exceptions for professional services, sole source purchases, and other specific purchases. Purchases are reviewed by the Purchasing Manager for compliance. No specific policies for procuring architectural / engineering services.

### Vernon

#### 1. Governance

Provided the City's General Plan, which is a land used plan required by the State, not a strategic plan. No performance measure information. Roles defined in City Charter. Conflict of Interest and Investment Policies adopted.

#### 2. Audit Committee / Audit Procurement

No documentation of an audit committee. Have retained an independent reform monitor whose duties include internal controls and audit. No independence statement or requirement found. Current auditor has been the City's auditor since 1999, which was selected competitively at that time.

**3. Accounting Policies and Procedures / Internal Controls**

Policies and procedures provided. Do not include information on when adopted, reviewed, or revised. Includes information on internal controls.

**4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

State the City adopted an “open door” policy for all complaints and or grievances. Ethics training provided in June 2011. No documentation of an internal audit function – provided information requiring examination and auditing claims and demands (invoices) prior to payment – this is not an internal audit function.

**5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

City has a policy establishing a “dry period” reserve to balance the fact that a significant portion of the City’s annual revenues are received during the latter half of the fiscal year. Does not address the issue of unrestricted fund balance.

**6. Procurement and Contracting**

Competitive bidding required “whenever possible.” Award to lowest responsible bidder “to the extent practical.” No evidence of policies on fair pricing or negotiated contracts, sole source contracting, or change orders.

**Whittier**

**1. Governance**

Stated that the City Council meets regularly to discuss priorities prior to adopting the budget. Adopt a work plan that serves as a strategic plan and evaluate priorities. Has also adopted a values statement. No City Manager goals provided. Conflict of Interest and Investment policies adopted.

**2. Audit Committee / Audit Procurement**

None

**3. Accounting Policies and Procedures / Internal Controls**

City Controller has desk procedures in lieu of accounting policies and procedures.

**4. Reporting of Fraud, Abuse, and Questionable Practices / Internal Audit**

No ethics policy provided.

**5. Financial and Public Reporting Practices / General Fund Unrestricted Balance**

City’s fund balance policy established a General Fund contingency reserve for emergencies at a minimum equivalent to 5% of the following years General Fund budgeted operating expenditures.

**6. Procurement and Contracting**

Purchases over \$10,000 require competitive bidding.

**Additional Charts (not included in body of the report)**

<b>Audit Committee/Audit Procurement Directly Responsible</b>							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
No	No	No	No	Yes	No	No	No
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	No	No	No Response	Yes	No	Yes	No Response
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
No	No	No Response	No	No Response	No	No	

<b>Audit Committee/Audit Procurement Report to Committee</b>							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
No	No	No	Yes	Yes	No	No	No
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
No	No	No	No Response	Yes	No	No	No Response
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
No	No	No Response	No	No Response	No	No	

<b>Audit Committee/Audit Procurement Non-Audit Approval</b>							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
No Response	No	No Response	Yes	No Response	No	No	No Response
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	No	No	No Response	No Response	No	No Response	No Response
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	No	No Response	No	No Response	No Response	No	

Accounting Policies and Procedures/Internal Controls Internal Controls Override Reporting							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
No	Yes	No	No	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	No	No	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	No	Yes	Yes	Yes	Yes	Yes	

Reporting of Fraud, Abuse, and Questionable Practices/Internal Audit Fraud/Abuse Concerns Reviewed							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
No	No Response	No	Yes	Yes	No	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
No Response	No	Yes	No	No	Yes	Yes	No
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	No	Yes	No	Yes	Yes	No	

Reporting of Fraud, Abuse, and Questionable practices/Internal Audit Internal Audit in Accord with GAO Standards							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
No	No Response	No	Yes	Yes	Yes	No	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
No Response	No	No	No Response	No Response	No Response	Yes	No Response
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	No	Yes	Yes	No	

<b>Reporting of Fraud, Abuse, and Questionable practices/Internal Audit Internal Audit Reports to Audit Committee</b>							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
No	No Response	No	Yes	Yes	No	No	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
No Response	No	No	No Response	No Response	No Response	Yes	No Response
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	No	Yes	No	No Response	Yes	No	

<b>Financial and Public Reporting Practices / General Fund Unrestricted Balance Independently Audited in Accord with GAAP/GAS</b>							
Alhambra	Arcadia	Bell	Burbank	Cerritos	Compton	Culver City	Downey
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Glendale	Industry	Inglewood	Irwindale	Lancaster	Palmdale	Pasadena	Pomona
Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Redondo Beach	Santa Monica	Signal Hill	Temple City	Torrance	Vernon	Whittier	
Yes	Yes	Yes	Yes	Yes	Yes	Yes	

**EXHIBIT 1<sup>14</sup>**

**General Law City v. Charter City**

Characteristic	General Law City	Charter City
<b>Ability to Govern Municipal Affairs</b>	Bound by the state’s general law, regardless of whether the subject concerns a municipal affair.	Has supreme authority over “municipal affairs.” Cal. Const. art. XI, § 5(b).
<b>Form of Government</b>	State law describes the city’s form of government For example, Government Code section 36501 authorizes general law cities be governed by a city council of five members, a city clerk, a city treasurer, a police chief, a fire chief and any subordinate officers or employees as required by law. City electors may adopt ordinance which provides for a different number of council members. Cal. Gov’t section 34871. The Government Code also authorizes the “city manager” form of government. Cal. Gov’t Code § 34851.	Charter can provide for any form of government including the “strong mayor,” and “city manager” forms. See Cal. Const. art. XI, § 5(b); Cal. Gov’t Code § 34450 <i>et seq.</i>
<b>Elections Generally</b>	Municipal elections conducted in accordance with the California Elections Code. Cal. Elec. Code §§ 10101 <i>et seq.</i>	Not bound by the California Elections Code. May establish own election dates, rules, and procedures. See Cal. Const. art. XI, § 5(b); Cal. Elec. Code §§ 10101 <i>et seq.</i>
<b>Methods of Elections</b>	Generally holds at-large elections whereby voters vote for any candidate on the ballot. Cities may also choose to elect the city council “by” or “from” districts, so long as the election system has been established by ordinance and approved by the voters. Cal. Gov’t Code § 34871. Mayor may be elected by the city council or by vote of the people. Cal. Gov’t Code §§ 34902.	May establish procedures for selecting officers. May hold at-large or district elections. See Cal. Const. art. XI, § 5(b).
<b>City Council Member Qualifications</b>	<p>Minimum qualifications are:</p> <ol style="list-style-type: none"> <li>1. United States citizen</li> <li>2. At least 18 years old</li> <li>3. Registered voter</li> <li>4. Resident of the city at least 15 days prior to the election and throughout his or her term</li> <li>5. If elected by or from a district, be a resident of the geographical area comprising the district from which he or she is elected.</li> </ol> <p>Cal. Elec. Code § 321; Cal. Gov’t Code §§ 34882, 36502; 87 Cal. Op. Att’y Gen. 30 (2004).</p>	Can establish own criteria for city office provided it does not violate the U.S. Constitution. Cal. Const. art. XI, § 5(b), 82 Cal. Op. Att’y Gen. 6, 8 (1999).

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Characteristic	General Law City	Charter City
<b>Public Funds for Candidate in Municipal Elections</b>	No public officer shall expend and no candidate shall accept public money for the purpose of seeking elected office. Cal. Gov't Code § 85300.	Public financing of election campaigns is lawful. <i>Johnson v. Bradley</i> , 4 Cal. 4th 389 (1992).
<b>Term Limits</b>	May provide for term limits. Cal. Gov't Code § 36502(b).	May provide for term limits. Cal. Const. art. XI, § 5(b); Cal Gov't Code Section 36502 (b).
<b>Vacancies and Termination of Office</b>	An office becomes vacant in several instances including death, resignation, removal for failure to perform official duties, electorate irregularities, absence from meetings without permission, and upon non-residency. Cal. Gov't Code §§ 1770, 36502, 36513.	May establish criteria for vacating and terminating city offices so long as it does not violate the state and federal constitutions. Cal. Const. art. XI, § 5(b).
<b>Council Member Compensation and Expense Reimbursement</b>	Salary-ceiling is set by city population and salary increases set by state law except for compensation established by city electors. See Cal. Gov't Code § 36516. If a city provides any type of compensation or payment of expenses to council members, then all council members are required to have two hours of ethics training. See Cal. Gov't Code §§ 53234 - 53235.	May establish council members' salaries. See Cal. Const. art. XI, § 5(b). If a city provides any type of compensation or payment of expenses to council members, then all council members are required to have two hours of ethics training. See Cal. Gov't Code §§ 53234 - 53235.
<b>Legislative Authority</b>	<p>Ordinances may not be passed within five days of introduction unless they are urgency ordinances. Cal. Gov't Code § 36934.</p> <p>Ordinances may only be passed at a regular meeting, and must be read in full at time of introduction and passage except when, after reading the title, further reading is waived. Cal. Gov't Code § 36934.</p>	May establish procedures for enacting local ordinances. <i>Brougher v. Bd. of Public Works</i> , 205 Cal. 426 (1928).
<b>Resolutions</b>	May establish rules regarding the procedures for adopting, amending or repealing resolutions.	May establish procedures for adopting, amending or repealing resolutions. <i>Brougher v. Bd. of Public Works</i> , 205 Cal. 426 (1928).
<b>Quorum and Voting Requirements</b>	<p>A majority of the city council constitutes a quorum for transaction of business. Cal. Gov't Code § 36810.</p> <p>All ordinances, resolutions, and orders for the payment of money require a recorded majority vote of the total membership of the city council. Cal. Gov't Code § 36936. Specific legislation requires supermajority votes for certain actions.</p>	May establish own procedures and quorum requirements. However, certain legislation requiring supermajority votes is applicable to charter cities. For example, see California Code of Civil Procedure section 1245.240 requiring a vote of two-thirds of all the members of the governing body unless a greater vote is required by charter.

Characteristic	General Law City	Charter City
<p><b>Rules Governing Procedure and Decorum</b></p>	<p>Ralph Brown Act is applicable. Cal. Gov't Code §§ 54951, 54953(a).</p> <p>Conflict of interest laws are applicable. See Cal. Gov't Code § 87300 <i>et seq.</i>.</p>	<p>Ralph Brown Act is applicable. Cal. Gov't Code §§ 54951, 54953(a).</p> <p>Conflict of interest laws are applicable. See Cal. Gov't Code § 87300 <i>et seq.</i>.</p> <p>May provide provisions related to ethics, conflicts, campaign financing and incompatibility of office.</p>
<p><b>Personnel Matters</b></p>	<p>May establish standards, requirements and procedures for hiring personnel consistent with Government Code requirements.</p> <p>May have "civil service" system, which includes comprehensive procedures for recruitment, hiring, testing and promotion. See Cal. Gov't Code § 45000 <i>et seq.</i></p> <p>Meyers-Milias-Brown Act applies. Cal. Gov't Code § 3500.</p> <p>Cannot require employees be residents of the city, but can require them to reside within a reasonable and specific distance of their place of employment. Cal. Const. art. XI, § 10(b).</p>	<p>May establish standards, requirements, and procedures, including compensation, terms and conditions of employment for personnel. See Cal. Const. art. XI, § 5(b).</p> <p>Procedures set forth in Meyers-Milias-Brown Act (Cal. Gov't Code § 3500) apply, but note, "[T]here is a clear distinction between the <i>substance</i> of a public employee labor issue and the <i>procedure</i> by which it is resolved. Thus there is no question that 'salaries of local employees of a charter city constitute municipal affairs and are not subject to general laws.'" <i>Voters for Responsible Retirement v. Board of Supervisors</i>, 8 Cal.4th 765, 781 (1994).</p> <p>Cannot require employees be residents of the city, but can require them to reside within a reasonable and specific distance of their place of employment. Cal. Const. art. XI, section 10(b).</p>
<p><b>Contracting Services</b></p>	<p>Authority to enter into contracts to carry out necessary functions, including those expressly granted and those implied by necessity. See Cal. Gov't Code § 37103; <i>Carruth v. City of Madera</i>, 233 Cal. App. 2d 688 (1965).</p>	<p>Full authority to contract consistent with charter.</p> <p>May transfer some of its functions to the county including tax collection, assessment collection and sale of property for non-payment of taxes and assessments. Cal. Gov't Code §§ 51330, 51334, 51335.</p>

Characteristic	General Law City	Charter City
<p><b>Public Contracts</b></p>	<p>Competitive bidding required for public works contracts over \$5,000. Cal. Pub. Cont. Code § 20162. Such contracts must be awarded to the lowest responsible bidder. Pub. Cont. Code § 20162. If city elects subject itself to uniform construction accounting procedures, less formal procedures may be available for contracts less than \$100,000. See Cal. Pub. Cont. Code §§ 22000, 22032.</p> <p>Contracts for professional services such as private architectural, landscape architectural, engineering, environmental, land surveying, or construction management firms need not be competitively bid, but must be awarded on basis of demonstrated competence and professional qualifications necessary for the satisfactory performance of services. Cal. Gov't Code § 4526.</p>	<p>Not required to comply with bidding statutes provided the city charter or a city ordinance exempts the city from such statutes, and the subject matter of the bid constitutes a municipal affair. Pub. Cont. Code § 1100.7; see <i>R &amp; A Vending Services, Inc. v. City of Los Angeles</i>, 172 Cal. App. 3d 1188 (1985); <i>Howard Contracting, Inc. v. G.A. MacDonald Constr. Co.</i>, 71 Cal. App. 4th 38 (1998).</p>
<p><b>Payment of Prevailing Wages</b></p>	<p>In general, prevailing wages must be paid on public works projects over \$1,000. Cal. Lab. Code § 1771. Higher thresholds apply (\$15,000 or \$25,000) if the public entity has adopted a special labor compliance program. See Cal. Labor Code § 1771.5(a)-(c).</p>	<p>Historically, charter cities have not been bound by state law prevailing-wage requirements so long as the project is a municipal affair, and not one funded by state or federal grants. <i>Vial v. City of San Diego</i>, 122 Cal. App. 3d 346, 348 (1981). However, there is a growing trend on the part of the courts and the Legislature to expand the applicability of prevailing wages to charter cities under an analysis that argues that the payment of prevailing wages is a matter of statewide concern. The California Supreme Court currently has before them a case that will provide the opportunity to decide whether prevailing wage is a municipal affair or whether it has become a matter of statewide concern.</p>

Characteristic	General Law City	Charter City
<p><b>Finance and Taxing Power</b></p>	<p>May impose the same kinds of taxes and assessment as charter cities. See Cal. Gov't Code § 37100.5.</p> <p>Imposition of taxes and assessments subject to Proposition 218. Cal. Const. art.XIIIC.</p> <p>Examples of common forms used in assessment district financing include:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Improvement Act of 1911. Cal. Sts. &amp; High. Code § 22500 <i>et seq.</i>.</li> <li><input type="checkbox"/> Municipal Improvement Act of 1913. See Cal. Sts. &amp; High. Code §§ 10000 <i>et seq.</i>.</li> <li><input type="checkbox"/> Improvement Bond Act of 1915. Cal. Sts. &amp; High. Code §§ 8500 <i>et seq.</i>.</li> <li><input type="checkbox"/> Landscaping and Lighting Act of 1972. Cal. Sts. &amp; High. Code §§ 22500 <i>et seq.</i>.</li> <li><input type="checkbox"/> Benefit Assessment Act of 1982. Cal. Gov't Code §§ 54703 <i>et seq.</i>.</li> </ul> <p>May impose business license taxes for regulatory purposes, revenue purposes, or both. See Cal. Gov't Code § 37101.</p> <p>May not impose real property transfer tax. See Cal. Const. art. XIII A, § 4; Cal. Gov't Code § 53725; <i>but see</i> authority to impose documentary transfer taxes under certain circumstances. Cal. Rev. &amp; Tax. Code § 11911(a), (c).</p>	<p>Have the power to tax.</p> <p>Have broader assessment powers than a general law city, as well as taxation power as determined on a case-by case basis.</p> <p>Imposition of taxes and assessments subject to Proposition 218, Cal. Const. art. XIIIC, § 2, and own charter limitations</p> <p>May proceed under a general assessment law, or enact local assessment laws and then elect to proceed under the local law. See <i>J.W. Jones Companies v. City of San Diego</i>, 157 Cal. App. 3d 745 (1984).</p> <p>May impose business license taxes for any purpose unless limited by state or federal constitutions, or city charter. See Cal. Const. art. XI, § 5.</p> <p>May impose real property transfer tax; does not violate either Cal. Const art. XIII A or California Government Code section 53725. See <i>Cohn v. City of Oakland</i>, 223 Cal. App. 3d 261 (1990); <i>Fielder v. City of Los Angeles</i>, 14 Cal. App. 4th 137 (1993).</p>
<p><b>Streets &amp; Sidewalks</b></p>	<p>State has preempted entire field of traffic control. Cal. Veh. Code § 21.</p>	<p>State has preempted entire field of traffic control. Cal. Veh. Code § 21.</p>
<p><b>Penalties &amp; Cost Recovery</b></p>	<p>May impose fines, penalties and forfeitures, with a fine not exceeding \$1,000. Cal. Gov't Code § 36901.</p>	<p>May enact ordinances providing for various penalties so long as such penalties do not exceed any maximum limits set by the charter. <i>County of Los Angeles v. City of Los Angeles</i>, 219 Cal. App. 2d 838, 844 (1963).</p>

Characteristic	General Law City	Charter City
<b>Public Utilities/Franchises</b>	<p>May establish, purchase, and operate public works to furnish its inhabitants with electric power. See Cal. Const. art. XI, § 9(a); Cal. Gov't Code § 39732; Cal. Pub. Util. Code § 10002.</p> <p>May grant franchises to persons or corporations seeking to furnish light, water, power, heat, transportation or communication services in the city to allow use of city streets for such purposes. The grant of franchises can be done through a bidding process, under the Broughton Act, Cal. Pub. Util. Code §§ 6001-6092, or without a bidding process under the Franchise Act of 1937, Cal. Pub. Util. Code §§ 6201-6302.</p>	<p>May establish, purchase, and operate public works to furnish its inhabitants with electric power. See Cal. Const. art. XI, § 9(a); <i>Cal. Apartment Ass'n v. City of Stockton</i>, 80 Cal. App. 4th 699 (2000).</p> <p>May establish conditions and regulations on the granting of franchises to use city streets to persons or corporations seeking to furnish light, water, power, heat, transportation or communication services in the city.</p> <p>Franchise Act of 1937 is not applicable if charter provides. Cal. Pub. Util. Code § 6205.</p>
<b>Zoning</b>	<p>Zoning ordinances must be consistent with general plan. Cal. Gov't Code § 65860.</p>	<p>Zoning ordinances are not required to be consistent with general plan unless the city has adopted a consistency requirement by charter or ordinance. Cal. Gov't. Code § 65803.</p>



# FIRST 5 LA



## COMMITTEE MEMBERS

**Alf Schonbach – Chair**  
**Delora Brown**  
**Thomas Joyner**  
**Jocelyn Keene**  
**Diana S. Lee**



# FIRST 5 LA

## INTRODUCTION

The 2011-2012 Los Angeles County Civil Grand Jury (CGJ) has conducted an investigation into the financial and management policies and procedures of First Five Los Angeles, referred to as First 5 LA.

First 5 LA was created by County ordinance in December, 1998, with the passage of Proposition 10, which directed state tobacco tax revenues to counties to be invested in health, safety, and educational programs for children up to age five. First 5 LA was established to: 1) receive tobacco tax revenues designated for Los Angeles County; 2) plan for and contract out these revenues for use in child-based activities; and 3) evaluate program results in order to develop future strategic plans.

In 1999 Los Angeles County amended the ordinance to designate First 5 LA as a separate legal entity. The First 5 LA Commission is comprised of nine voting and three non-voting members. The voting members are:

- Chair of the Los Angeles County Board of Supervisors
- One appointee from each of the five Supervisorial districts
- Director of the County Department of Public Health
- Director of the County Department of Mental Health
- Director of the County Department of Children and Family Services

The non-voting members represent:

- Los Angeles County Policy Roundtable for Child Care
- Inter-Agency Council On Child Abuse and Neglect
- Commission For Children and Families

## BACKGROUND

In 2010 the State of California considered diverting tobacco tax funds away from the State's larger counties back to the State as a partial solution to the State's budget issues. The Los Angeles County Board of Supervisors agreed that an independent audit of First 5 LA financial records would protect local funds already committed for approved child programs and needed to honor their binding contracts. Following completion of this financial audit which identified significant irregularities, the Board directed that the same auditors should also examine the operational and management policies and procedures of First 5 LA in order to ensure the cost-effectiveness of its investments in child-based programs. This resulted in a two-phase audit report of First 5 LA.

Phase I reviewed and validated reserved and available funds and evaluated financial information provided to the Board of Commissioners. Phase II reviewed how First 5 LA used its available resources compared to other First 5 agencies and relative to pertinent laws, policies, agency goals, and efficiency and effectiveness measures.

## **METHODOLOGY**

Because of the thoroughness of the independent audits already performed of First 5 LA, the CGJ determined that a further audit and investigation of First 5 LA by the CGJ would not produce new or significant findings. Rather, the CGJ determined that it was important to monitor and assess the responses of First 5 LA to the findings and recommendations of the two audits. See Exhibit 1 for a complete summary of audit recommendations and First 5 LA responses to date.

### **Review of Audit Results**

Phase I results reflected the following:

- Inconsistent fiscal information was provided by staff to the Board of Commissioners.
- Inconsistencies were found in the approval of contracts, grants, and budgets.
- Improvement was required for contract compliance and financial management controls over expenditures.
- Weaknesses were found in the tracking and monitoring of allocations, reserves, and commitments.
- There was no reconciliation of agency accounts and financial transactions.

Phase II results included:

- First 5 LA expended less of its program resources and maintained a higher fund balance than the next ten largest First 5 agencies in California, both in terms of the dollar amount and as percentages of expenditures and revenues.
- The cost-per-child served was higher compared to other First 5 agencies.
- Staff allocation and overhead costs were disproportionate for the First 5 LA's funding levels compared to other First 5 agencies.
- Significant delays were found in program implementation.
- Program and financial information flow to the Board of Commissioners varied in accuracy, clarity, and level of detail.
- Consistent contract solicitation and bid processes were not used.
- Contractor compliance was not ensured by staff monitoring.
- Staff and management salary and compensation schedules were not clear or consistent.

Based on a review of the independent audit, the CGJ shared the concerns of the Board of Supervisors that extensive changes to the First 5 LA's policies and procedures, as well as governance structure, should be implemented in order to make effective use of available funds to meet the health, safety, and educational needs of children ages 0-5 in accordance with the intent of Proposition 10. Relevant and constructive responses by the agency to the audit recommendations were considered critical when the significant

level of funding under the authority of First 5 LA is taken into account. For example, the tobacco tax revenues directed to First 5 LA over the previous three years were:<sup>1</sup>

- 2007-2008: \$178,891,645
- 2008-2009: \$166,292,312
- 2009-2010: \$145,980,090

In addition, the independent auditor estimated that the agency's fund balance was approximately \$925 million as of February 28, 2011.<sup>2</sup> Therefore, it is essential that First 5 LA respond in a timely manner to the audit recommendations in order that these levels of public funds are managed and expended in accord with applicable State and local policies and guidelines.

### **Interviews and Meetings**

The CGJ met with a number of officials who were able to provide information regarding the conduct and performance of First 5 LA prior to and immediately following the Phase I and Phase II audits of the agency. These included:

- A representative of the 5<sup>th</sup> Supervisorial District of Los Angeles County
- A representative of the 3<sup>rd</sup> Supervisorial District of Los Angeles County
- A senior member of the independent agency which conducted the audits of First 5 LA
- A senior administrator of First 5 LA

In addition, the CGJ attended several First 5 LA Commission meetings to monitor the progress in implementing audit recommendations.

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<sup>1</sup> Source: 2011 First 5 LA audit, performed by Harvey M. Rose Associates, LLC

<sup>2</sup> Ibid.

**FINDINGS**

1. The CGJ found that change in the executive-level management has resulted in improved transparency, staff morale, and cooperation with outside agencies.
2. Current First 5 LA executive management has been responsive to the audit findings and recommendations.
3. First 5 LA has made significant progress in implementing the audit recommendations.

**RECOMMENDATIONS**

1. **The Chief Executive Officer of First 5 LA** should implement the remaining audit recommendations in a timely manner.
2. **The First 5 LA Commission** should monitor the activities of the agency to ensure compliance with revised policies and procedures.

**REQUIRED RESPONSES**

<b>Recommendation</b>	<b>Responding Agency</b>
1	Chief Executive Officer of First 5 LA
2	First 5 LA Commission

**ACRONYMS**

<b>CGJ</b>	Los Angeles County Civil Grand Jury
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**EXHIBIT 1 – FIRST 5 LA RESPONSE TO HARVEY M. ROSE AUDIT (on facing page)**

**Staff Response to HMR Phase 1 Audit**

**1. Allocations and Controls**

- Key financial actions taken by the First 5 LA Board of Commissioners (Board) include: approval of the agency's program and initiative allocations; approval of the Program Budget governing annual expenditures on initiatives and programs; and approval of the First 5 LA's Operating Budget. The Board also approves some contracts and grants.
- A review of staff information packets provided to the Board in advance of Board meetings and Board and Operations Committee meeting agendas and minutes showed that information provided to the Board regarding establishment of and changes to allocations, the Program 1 and Operating Budgets and contract and grant agreements is inconsistent. Many Board actions are not clearly documented in meeting minutes. As a result, staff can be left in the role of interpreting or deciding allocations and budget changes and possibly making expenditure decisions inconsistent with Board direction.
- A review of minutes from Board meetings from July 1, 2010 through February 28, 2011 revealed that the Board clearly approved \$127.5 million in new Fiscal Year 2010-11 allocations but that documentation of approval of \$67.6 million in reductions to existing allocations was inconsistent, ranging from the approval of a formal motion for a change to one allocation to no record at all of Board approval for another allocation. Staff does produce monthly financial reports for the Board that incorporates the results of these changes but a standardized explanation of the changes is not presented with these reports.
- The Board received limited details regarding the \$167 million FY 2010-11 Program Budget in advance of or at the June 2010 Board meeting when it was approved. In contrast, the Board was provided with a detailed document for the \$12 million Operating Budget. However, neither the full Board nor the Operations Committee (a) receives information in a consistent, comprehensive format explaining changes to either budget that occur throughout the year; or (b) specifically approves changes to the Operating Budget that occur throughout the year. In FY 2010-11, the Operating Budget increased by approximately \$5 million as of February 28, 2011 without clear documentation of the reasons for the increase. Such changes are reflected in the Board-approved Monthly Financial Reports but without explanation.

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p><b>1.1 Direct management to prepare policies and procedures for Board approval requiring: (a) Board approval by vote, of changes to existing allocations and the establishment of new allocations; (b) the submission of standardized financial information to the full Board in advance of proposed allocation changes; and, (c) a standardized approach to recording and maintaining records of Board approval of changes to allocations.</b></p>	<p>Finance</p>	<p>(a) The Finance Department drafted policies and procedures for Board approval, by vote, of changes to existing allocations and the establishment of new allocations by January 31, 2012. The policies will include a recommended Fiscal Impact section on every Board agenda item that requires action starting in March, 2012.                      (b) Staff will meet with the newly constituted Budget &amp; Finance Committee to define the "standardized financial information" to be submitted to the Board and will start submitting such information in advance of allocation decisions starting with the May, 2012 Commission Meeting.                      (c) A standardized approach to recording and maintaining records of Board approval of changes to allocations will be documented and ready for review by January 31, 2012.</p>	<p>100%</p> <p>75%</p> <p>100%</p>	<p>Board adopted policy on January 12, 2012.</p> <p>Staff has implemented a standardized approach in recording and maintaining records for Board approval as a result of Board approved policy.</p>

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**Staff Response to HMR Phase 1 Audit**

**2. Review of a Sample of First 5 LA Transactions**

- To assess controls and verify the reliability of First 5 Los Angeles' reported expenditures, reserves and available cash balances, a review was conducted of 68 expenditure transactions and corresponding agreements with grantees and contractors. The transactions all took place between June 30, 2010 and February 28, 2011. The purpose of the review was to verify that agency expenditures are properly controlled and reported changes in reserves and available funds are accurately tied to expenditure transactions.
- Three types of transactions were reviewed: (1) payments to contractors, (2) payments to grantees, and (3) other payments including those used to support First 5 administrative operations or to reimburse initiatives/programs for expenditures related to Medi-Cal Administrative Activities.
- In general, transactions reviewed were adequately documented. Amounts invoiced and paid were consistent with amounts allowed for the contractor or grantee in their executed agreements, and payments for all transactions were authorized by required staff signatures on Payment Authorization forms. However, the review found that program, contract compliance, and financial management controls over expenditures could use improvement.
- The transaction review showed that some grantees are spending in categories that do not match their approved grant agreement budget, or are submitting incomplete or inaccurate spending information. In cases where invoices and budgets differed, required paperwork authorizing the change was not on file with related documentation such as invoices, contract and grant agreements. Reporting associated with contractor invoices was inconsistent in terms of the level of detail included in both the contract's budget document and in the invoice. Not all contract budgets specified level of services or materials to be provided, and even fewer invoices specified level of services or materials provided during the payment term. Non-grantee and contractor payments often lacked supporting documentation that identified initiatives or programs associated with the expenditures, making it difficult to determine if the expenditures support general First 5 LA activities and/or initiatives/programs.
- Of the transactions reviewed, 49 percent of grantees and 21 percent of contractors in the sample did not submit their invoice within the required period, although First 5 LA provided payment for these invoices within the required period. Invoices that were not submitted on time were between one and four months late.

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
2.1 Direct management to report back on new procedures and controls in place to ensure that First 5 LA staff monitors grantees and contractors to ensure compliance with financial reporting policies which state that grantees and contractors must submit invoices that demonstrate spending in accordance with the line-item budgets approved in each contract or agreement.	Administration & Programs Divisions	Staff will report to the Commission the procedures and controls in place to ensure grantees and contractors compliance with financial reporting policies by June 2012.	50%	
2.2 Implement a policy that requires that all contractors submit budgets and invoices that specify the units of goods or specific service to be provided during the contract term.	Administration & Programs Divisions	Staff will present for Commission approval a policy requiring all contractors to submit budgets and invoices as recommended by April of 2012.	100%	
2.3 Implement a policy to ensure contractors consistently specify the initiative/program, or internal First 5 LA department associated with each invoice submitted.	Administration & Programs Divisions	Staff will present for Commission approval a policy requiring all contractors to submit invoices as recommended by April of 2012.	100%	

**Staff Response to HMR Phase 1 Audit**

**3. Accounting for Reserves, Designations and Fund Balance**

- Reserves and designations of fund balance for First 5 LA programs are derived from allocations authorized by the First 5 LA Commission. However, the accounting process for tracking and monitoring allocations, reserves and designations of fund balance has several weaknesses, including: (1) lack of procedural consistency in the use of spreadsheets and manual calculations to determine reserved and unreserved fund balance amounts; (2) lack of controls over allocation amounts; (3) lack of monthly reconciliations between amounts reported and financial records; and, (4) absence of written policies and procedures for agency financial processes.
- Total fund balance is estimated to have been approximately \$925,391,252 as of February 28, 2011, though a complete reconciliation of agency accounts and financial transactions is needed to verify this amount. First 5 LA does not maintain an accounting month to month of fund balance and associated allocations, reserves and designations. Variances identified during reconciliation of accounts and transactions prevented our verifying reserves and fund balance components as of February 28, 2011. For example, reconciliations showed the remaining balance in eight allocations to be insufficient to cover total reserves for those programs/initiatives.
- Despite procedural challenges, the Finance Department should be recognized for its ability to manually track and identify accounting transactions and process accounting exceptions in detail. Numerous requests by project staff for explanation of accounting variances were addressed quickly and thoroughly. By addressing accounting process weaknesses and shifting to quarterly financial status reports, management and Finance Department staff would realize greater efficiency and be better equipped to provide improved financial information to the Board. An assessment of agency tools and resources needed, if any, to address these issues was not conducted as part of this procedures engagement.
- First 5 LA management should develop and implement agency-specific written policies and procedures to clarify and strengthen accounting processes and controls regarding allocations, reserves, and designations and conduct formal reconciliations quarterly for financial reports to the Board.
- Sufficient data and information is known about reserves and designations for the Commission to determine how to prioritize funding in the event that it must remit \$424,388,705 to the State pursuant to Health and Safety Code Section 130158.

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p>3.1 Direct management to develop agency-specific written policies and procedures for (a) manual compilations of financial information, (b) allocations, reserves, and designations, and (c) quarterly reconciliations. Such policies and procedures should include adequate financial controls over the use of allocations.</p>	<p>Finance</p>	<p>(a) Policies and procedures have been developed and are before the Commission for approval.                      (b) The GASB 54 Policy adopted in June 2011 addresses this recommendation. Clarified policy is before the Commission for approval.                      (c) This policy will be presented to the Budget &amp; Finance Committee in March 2012 and to the Commission in April 2012.</p>	<p>a) 100%                      b) 100%</p>	<p>a) Policy adopted January 12, 2012.                      b) Policy adopted January 12, 2012.</p>
<p>3.2 Direct management to conduct formalized and methodical quarterly reconciliations and compilations for financial reporting purposes that account for timing differences and required adjustments to better reflect financial status.</p>	<p>Finance</p>	<p>This would be a "soft close" and would require a re-calculation of fund balance on a quarterly basis and would include capturing material expenditures and revenues that could be attributed to the specific period of time.                      Staff will begin completing this "soft close" with the financial statements for December 31, 2011.</p>	<p>100%</p>	
<p>3.3 Direct management to present revised financial policies and procedures and financial controls to the Board for review and approval.</p>	<p>Finance</p>	<p>Staff will present current financial policies and procedures to the Budget and Finance Committee at its first scheduled meeting.</p>	<p>50%</p>	

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**Staff Response to HMR Phase 1 Audit**

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p>3.4 Direct management to report audited fund balance as of June 30, 2011 as soon as practicable to the Board.</p>	<p>Finance</p>	<p>Staff has historically presented the audited fund balance and Comprehensive Annual Financial Report to the Commission at their regularly scheduled October meeting. Given the amount of time and resources required to complete the legally required audit process and the timeframe in which the Commission receives year-end information from many grantees, it may not be feasible to report to the Board any earlier than that date.</p>	<p>100%</p>	<p>FY 2010-11 Comprehensive Annual Financial Report approved by Commission on October 13, 2011.</p>
<p>3.5 Direct management to prepare and submit quarterly financial reports to the Board based on full reconciliations of agency accounts and expenditures, and reporting fund balance.</p>	<p>Finance</p>	<p>Staff will consult with Harvey Rose Associates, the Commission's auditors, and the Budget and Finance Committee to establish the parameters of this reporting in a way that is feasible given existing resources, with a policy to be finalized before the end of June, 2012.</p>	<p>50%</p>	<p><b>Discussions regarding protocol ongoing with the Budget &amp; Finance Committee</b></p>

**Staff Response to HMR Phase 2 Audit**

**1. Comparative Use of First 5 LA Resources**

- A review of financial data for a sample of First 5 agencies showed that for the past three years, First 5 Los Angeles has expended less of its programmatic resources and maintained a higher fund balance than the next 10 largest First 5 agencies in California, both in terms of the dollar amount and as percentages of expenditures and revenues. First 5 LA's fund balance was five times greater than expenditures in Fiscal Year (FY) 2009-10 compared to a median fund balance 2.5 times greater than expenditures for other First 5 agencies.
- For the past five years, First 5 LA revenues have consistently exceeded actual expenditures and, between FY 2007-08 and FY 2009-10, the agency under spent compared to its planned programmatic expenditures at rates between 9.89 and 39.5 percent. Programmatic expenditures for FY 2010-11 appear to also be substantially below planned amounts for the year and prior year actual expenditures. The Board of Commissioners (Board) is not able to monitor and oversee programmatic expenditures against an approved budget since monthly programmatic expenditures are not presented relative to a budget. Further, before FY 2011-12, the Board did not receive detailed programmatic budgets for approval.
- Based on administrative expenditures reported to First 5 California, other large First 5 agencies have higher administrative costs relative to total expenditures and children served than First 5 LA. However, First 5 LA's programmatic under-spending and administrative over-spending in FY 2009-10 resulted in the agency's administrative spending, as reported to First 5 California, exceeding five percent of total expenditures, in violation of agency policy. The comparison with other agencies also shows that First 5 LA has higher program, evaluation and total costs per child served than the median for comparison First 5 agencies.
- First 5 LA serves less than the median percentage of children 0-5 served by other large First 5 agencies and the cost per child served by First 5 LA is higher than the median for the other jurisdictions. However, the population served results may be unreliable due to some double-counting by the other agencies. A comparison of the number of children served by just the School Readiness Initiative allows for an analysis without double-counting. First 5 LA was above-average in terms of the percentage of the population of children ages 0-5 participating in School Readiness programs (4.3% in LA versus a median of 3.7%), though its cost per person served was 24.2% higher than the median for the other counties (\$446 in LA versus a median of \$359).

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p>1.1 As also recommended in the Phase One Procedures Engagement report, direct management to conduct formalized and methodical quarterly reconciliations and compilations for financial reporting purposes, and include monthly comparisons of actual expenditures to budgeted amounts, by initiative or program.</p>	<p>Finance</p>	<p>The monthly reporting has been revised beginning with the month ending October 31, 2011 that includes monthly comparisons of actual expenditures to budgeted amount by initiative or program. Staff will begin to conduct a "soft close" for monthly financial statements as of December 31, 2011. Feedback on the revised format would be appreciated and further recommendations for added transparency would be welcomed by staff.</p>	<p>100%</p>	
<p>1.2 Direct Finance Department staff to use consistent definitions and standards when calculating and reporting administrative expenditures and percentages. Internal references to administrative cost amounts should not differ from those reported to First 5 California.</p>	<p>Finance</p>	<p>The Finance Department will begin immediately to ensure consistent definitions and standards when calculating and reporting administrative expenditures and percentages.</p>	<p>100%</p>	
<p>1.3 Direct Finance Department and Grants Management staff to: (a) maintain an inventory of all contractors and grantees that consistently fail to meet annual budgeted expenditure goals; (b) conduct an analysis of all under-spending programs; and, (c) make recommendations to grantees and contractors in the areas of technical support, capacity building, or other services that will address under-spending.</p>	<p>Finance &amp; Grants Management</p>	<p>Finance will generate expenditure report comparing budget vs. expenditures to date at mid-year and year-end, and develop inventory of all contractors and grantees that underspend. GM will provide technical assistance to grantees to address under-spending before the end of June 2012.</p>	<p>50%</p>	

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**Staff Response to HMR Phase 2 Audit**

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p>1.4 Direct staff to develop policies and procedures that will assist in preparing an annual Business Plan to be issued to the Board prior to the annual budget approval that includes: (a) a Work Plan for the upcoming year; (b) a Resource Plan to assist in carrying out the Work Plan; (c) a comparison of accomplishments to goals; and (d) a summary of proposed budgets including an analysis of actual versus budgeted expenditures for the prior year and an analysis of all proposed new expenditures.</p>	<p>All Staff Under Direction of CEO</p>	<ul style="list-style-type: none"> <li>In alignment with the current First 5 LA Strategic Plan, propose the adoption of a planning methodology that will assist staff in preparing an annual Operational Plan to be issued to the Commission.</li> <li>Develop the policies and procedures to implement, organization-wide, the planning methodology that will result in annual operational plans.</li> <li>Develop an annual operational plan and goals for FY 12-13</li> </ul>	<ul style="list-style-type: none"> <li>25%</li> </ul>	
<p>1.5 Establish a standing Budget and Finance Committee to review, at minimum: (a) the recommended quarterly financial updates; and (b) the proposed annual Business Plan that includes a detailed analysis of budgeted versus actual spending to inform the June budget approval process.</p>	<p>CEO</p>	<ul style="list-style-type: none"> <li>The necessary bylaws to establish a standing Budget &amp; Finance Committee are on the agenda for adoption by the Commission at the February 2012 Commission Meeting.</li> </ul>	<p>100%</p>	<p><b>Adopted</b></p>

**Staff Response to HMR Phase 2 Audit**

**2. Staffing**

The allocation of staff is disproportionate across First 5 LA departments based on the funding allocated to the projects and the priority of the work being performed. The Program Development Department is responsible for launching approximately \$227 million worth of new Countywide Augmentation programs and administering \$286 million worth of programs, but only has nine positions. This is fewer than the average of 19 positions each for three departments responsible for fewer contracts and grants and lower levels of funding: the Best Start Communities, Public Affairs and Research and Evaluation Departments.

While the work of all departments is important and the value of contracts is only one measure of responsibility, one of the consequences of the relatively low level of staffing in the Program Development Department is that implementation of Countywide Augmentation programs approved by the Board of Commissioners in fall 2010 are not being achieved. Only \$15 million is anticipated to be disbursed for those programs in FY 2011-12, or 6.6 percent of the total funding allocated for those programs through 2017. Implementation of these new programs should be expedited, possibly with reallocation of existing staff. Agency management reports that it has recently reallocated five positions, including four that were vacant from other departments, and is currently recruiting new staff. Further reallocations may be needed depending on a full assessment of the relative workload of all departments by agency management.

While Program Development Department staffing is low relative to its responsibilities, staffing at First 5 LA overall is high compared to the next four largest First 5 agencies statewide. First 5 LA receives 4.6 times the annual revenue of the other agencies but has 5.2 times the number of staff. While each First 5 has its own priorities and plans, the other First 5 agencies can serve as benchmarks for determining baseline staffing and costs unless higher staffing levels and costs reflect policy decisions by the Board of Commissioners based on expected benefits commensurate with the higher costs.

With 28 positions between them, Public Affairs and Research and Evaluation department staffing at First 5 LA is higher than those functions at four comparison First 5 agencies. Both of these departments also utilize contract consultants for work that is likely duplicating the work of existing staff members. Consolidating and delegating some work now performed by staff to these consultants, as well as identifying process and procedures efficiencies, could help the agency reduce its staffing levels and/or reallocate positions to Program Development.

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p>2.1 Direct management to prepare a current analysis of the basis of staff allocations associated with each department to the Board of Commissioners and obtain approval for continuing the current structure or making changes in the allocation or total number of positions. The same information should be submitted to the Board of Commissioners annually as part of staff's proposed budget.</p>	<p>Administration &amp; Programs Divisions &amp; Human Resources</p>	<ul style="list-style-type: none"> <li>Adopt a staff allocation methodology.</li> <li>Perform staff allocation analysis for both the Administration and Program Divisions.</li> <li>Develop policies and procedures to incorporate a staff analysis report to be included along with the annual operational plans to be presented to the Commission.</li> <li>All prior to the end of the <b>2012 calendar year.</b></li> </ul>		
<p>2.2 Direct management to conduct an assessment and present it to the Board of Commissioners covering staff allocations and identifying: (a) functions assigned to existing staff that are redundant or duplicated through existing professional services contracts; and, (b) efficiencies in processes and procedures so that less staff would be required to perform the same functions within a department.</p>	<p>Administration &amp; Programs Divisions &amp; Human Resources</p>	<ul style="list-style-type: none"> <li>Conduct an assessment of staff allocations against the work performed through existing professional service contracts to identify potential duplications.</li> <li>Propose efficiencies in processes and procedures to optimize the allocation of staff within departments.</li> <li>All completed prior to the end of calendar year 2012.</li> </ul>		

**Staff Response to HMR Phase 2 Audit**

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p>2.3 Direct management to develop a clear staffing plan for the Best Start Communities and Grants Management Departments given the anticipated changes in workload for the staff in each department. The staffing plan should then be presented to the Board of Commissioners for approval.</p>	<p>Best Start Communities &amp; Human Resources</p>	<p>BSC to develop a detailed plan of potential activities until the end of the strategic plan to inform staffing plan. The plan will be presented prior to adoption of the FY 2012-13 budget.</p>		
<p>2.4 Direct management to, based on the results of an assessment of staffing allocation, reduce staffing in departments accordingly by (a) reassigning staff to other departments that may be in need of additional staff to complete its current workload in a timely manner, such as the Program Development Department, and (b) eliminating unnecessary positions through attrition.</p>	<p>Programs Division &amp; Human Resources</p>	<ul style="list-style-type: none"> <li>In order to fulfill the immediate need of additional staff in the Program Development department, five positions were transferred from other departments as follows:                             <ul style="list-style-type: none"> <li>(a) Two vacancies, through attrition, from Public Affairs;</li> <li>(b) Two vacancies, through attrition, from Best Start;</li> <li>(c) One staff transfer from Research &amp; Evaluation</li> </ul> </li> <li>Hiring of staff for the new vacancies in Program Development by the first quarter of 2012.</li> <li>Ongoing assessments of staff allocation as natural attritions occur.</li> </ul>	<p>Completed September 2011</p> <p><b>Ongoing</b></p>	<p>Although vacancies were secured in September 2011, a hiring freeze imposed in October 2011 stopped the recruitment and selection process. This process was resumed in mid-December 2011.</p>

**Staff Response to HMR Phase 2 Audit**

**3. Governance Structure and Information Flow**

- Staff information provided to and communications with the First 5 LA Board of Commissioners (Board) varies in terms of accuracy, clarity and level of detail, creating obstacles to the staff and Board's ability to make informed and clearly understood fiscal and programmatic decisions. Transmittals do not include key data needed to enable effective oversight of key agency functions. Board decisions are not always clearly communicated and/or documented by staff.
- Information on revisions to existing initiatives and allocations or proposed new initiatives and allocations is inconsistently presented to the Board. Most grant and contract awards, representing hundreds of millions of dollars of annual agency expenditures, are not submitted for Board approval or review. Until the current fiscal year, detailed annual programmatic budgets were not submitted for approval. The Board of Commissioners has little systematic input into plans for evaluating initiatives, allocations, grants and contracts, and program evaluation results are not consistently reported to the Board.
- In comparison with First 5 organizations in other counties, First 5 LA could engage in additional collaboration with other agencies in Los Angeles County to leverage funds and services for children aged five and under and their families.
- Improved governance policies should include additional rationale and requirements for the composition of the full Board to include additional County agency representation, as well as a reconsideration of the structure, role and membership of committees used to support the Board. The Board should also develop policies related to committee attendance, agenda setting, and recordkeeping, particularly pertaining to Board decisions.

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p>3.1 Direct management to develop detailed policies and reporting templates for information transmitted to the Board of Commissioners in the areas of program development, new and amended initiative and program allocation approvals, budget approval and research and evaluation processes.</p>	<p>Administration &amp; Programs Divisions</p>	<p>Develop detailed policies and reporting templates for information transmitted to the Board of Commissioners in the areas of program development, new and amended initiative and program allocation approvals, budget approval and research and evaluation processes, prior to April 2012 Commission Meeting.</p>	<p>75%</p>	
<p>3.2 Direct management to assess the costs and benefits of using County support services in lieu of strictly in-house services so Board of Commissioners can assess the advantages and disadvantages of remaining an independent agency.</p>	<p>Administration</p>	<p>Implementation of this recommendation is pending decision about whether First 5 LA remains an independent agency. The decision regarding independence is not made by the Commission. Staff will evaluate, on an ongoing basis, the efficiency of contracting for County support services.</p>	<p>Completed January 2012 100%</p>	<p>BOS voted to keep First 5 LA an independent entity.</p>

**Staff Response to HMR Phase 2 Audit**

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p>3.3 Direct management to initiate trainings that ensure staff is familiar with all recommended governance policies.</p>	<p>Contract Compliance &amp; Administration</p>	<p>Staff will present to the Commission the existing governance policies and proposals for new policies in March and April of 2012.</p> <p>Staff trainings on procurement policy and procedures have taken place as follows:</p> <ul style="list-style-type: none"> <li>▪ Programs Development: 1/11/12</li> <li>▪ Best Start: 9/15/11, 10/11/11</li> <li>▪ Public Affairs: 9/28/11</li> <li>▪ Research &amp; Evaluation: 9/14/11</li> <li>▪ Community Investments: 8/24</li> <li>▪ Programs Development: 8/24</li> <li>▪ Policy: 8/31</li> </ul> <p>Additional trainings on this and the rest of the governance policies will continue to be scheduled to ensure staff understanding and right implementation of such policies.</p> <p>Staff will continue to review/update existing policies and procedures manual.</p>	<p><b>100% &amp; Ongoing as Needed</b></p>	<p>Contract Compliance will be conducting on-going procurement trainings throughout 2012 to ensure that all staff has knowledge and understanding of current and procurement procedures. In addition, a training manual that documents the procurement process in a step-by-step format has been developed and is available to all staff.</p>

**Staff Response to HMR Phase 2 Audit**

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p>3.4 Direct management to initiate methods of increased collaboration, such as participation in childcare advisory groups, with other County entities that provide early childhood services and resources, and to regularly report results of collaboration efforts to the Board of Commissioners.</p>	<p>Programs Division</p>	<p>Program Staff will maintain and expand its extensive external collaboration with like-minded groups, organizations, individuals that have a shared, fiscal and non-fiscal, strategic value to First 5 LA at a local, state and national level. These collaborative activities include programs, projects and public/private partnerships with public entities, the business and philanthropic sector. Some of these collaborations include: Los Angeles County departments include the Department of Health Services, Department of Public Health, Department of Mental Health, Department of Children and Family Services, Los Angeles County Office of Child Care, the Los Angeles County Office of Education, the Los Angeles Unified School District, Los Angeles County – Chief Executive Officer – Service Integration Branch and private foundations such as the California Endowment, California Community Foundation, the Annenberg Foundation and many others.</p> <p>Staff will report results of collaboration efforts to the Board of Commissioners.</p>	<p>Ongoing</p>	
<p>3.5 Consider developing additional or alternative requirements for the composition of Board of Commission members such as including representatives of the Department of Children and Family Services and the Department of Public Social Services on the First 5 LA Board of Commissioners.</p>	<p>Board of Supervisors</p>	<p>County ordinance to add DPSS representation to the Commission is pending final effective date.</p>	<p>100%</p>	
<p>3.6 Consider strengthening the structure and role of committees used to support the Board, and develop detailed policies related to committee attendance, agenda setting, and record-keeping.</p>	<p>Commission / CEO</p>	<p>New Committee bylaws proposed to the Commission in February 2012; other policies to be examined by Executive Committee.</p>	<p>50%</p>	

**Staff Response to HMR Phase 2 Audit**

**4. Contract and Grant Agreements**

- Review of contracting policies and procedures shows that First 5 LA does not adequately ensure bids for grantee and contractor services are obtained using a consistent set of procedures and cannot document that fair competitive bidding processes are taking place for all contractor and grantee agreements. Outreach and bid documentation from other bidders was not on file for six of the ten sample contract files reviewed. Timeline records were not on file that would allow a complete evaluation of time required for the bidding process.
- Although First 5 LA policy calls for competitive bidding of its contracts and grants, agency records show that at least 58 contracts and agreements in effect in Fiscal Year (FY) 2010-11, with a value of approximately \$79 million, were awarded without competitive bidding. Information on file detailing the justification for exemption from competitive bidding requirements is not sufficient.
- Furthermore, while First 5 LA policy requires that the Board of Commissioners approves all new contracts over \$25,000, the contracting process is not governed by formal Board approval, and many new contracts and grant agreements are approved only by staff. Many grants and contracts are multi-year. Although new grant agreements and contracts are typically executed on an annual basis for single and multi-year agreements, no consistent re-approval process exists in the form of issuing new solicitations or obtaining specific approval from the Board of Commissioners.
- First 5 LA does not have sufficient guidelines in place for contract and grant solicitation and approval processes, reporting and record-keeping. While most required contract and grantee documents are on file, others such as insurance and tax forms are not consistently maintained in the agency's database system.
- Monitoring of grantee and contractor compliance does not adequately ensure First 5 LA or its contractors are in compliance with internal policies and procedures. Fiscal and performance evaluation documentation, including annual budgets, invoices, Mid- and Year-End performance reports, is not submitted in a complete and consistent manner. Further, staff are not adequately familiar with the existing policies and do not ensure that the contractor and grantee monitoring documentation on file is current and meets existing requirements.

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p>4.1 Direct management to prepare policies and procedures for Board approval outlining the Board approval process for new grant agreements and contracts with clearly designated annual dollar thresholds, even for multi-year agreements, and other characteristics triggering required Board approval.</p>	<p>Contract Compliance</p>	<p>Policies and procedures outlining process for Board Approval are currently being developed by Contract Compliance and will be reviewed by Interim Chief Executive Officer. The final document will be presented to the <b>Budget &amp; Finance</b> Committee, and then to the Commission by <b>April 2012</b>.</p>	<p><b>75%</b></p>	
<p>4.2 Direct management to include a consent item for approval on the monthly Board of Commissioners agenda listing all grantee and contractor agreements and amounts to be approved, whether Board of Commissioner approval is required or not, so that information about all agreements is disclosed and any agreement can be further scrutinized at Board meetings if so requested by any member of the Board of Commissioners. Bidding process dates and other milestones should also be reported.</p>	<p>Contract Compliance</p>	<p>Process by which Board of Commissioners review and approve all grantee and contract agreements has been developed, which includes online versions of all grants and contracts supporting documentation, e.g., scope of work and budgets. These documents are available on the First 5 LA website prior to each monthly Board Meeting for review. Staff is currently refining process and online format to meet the needs of the Board of Commissioners.</p>	<p><b>100%</b> Completed on November 10, 2011</p>	
<p>4.3 Direct management to prepare a protocol addressing the preparation and maintenance of documentation related to all sole source contracts and grants, regardless of their characterization as AB 109 Exceptions, Strategic Partners, or others, and ensure staff familiarity with and adherence to these policies.</p>	<p>Contract Compliance</p>	<p>Protocols outlining the preparation and maintenance of documentation to all sole source contracts and grants have been developed and are pending Interim Chief Executive Officer approval. Final protocols will be presented to the <b>Budget &amp; Finance</b> Committee and Commission by April 2012.</p>	<p><b>75%</b></p>	

**Staff Response to HMR Phase 2 Audit**

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p>4.4 Revise current policy so that all solicitation materials, outreach effort documentation, proposals from all bidders, agreements and contracts, and agreement monitoring documentation is kept on file until two years after the termination date of the agreement. This documentation can serve as a valuable management tool for assessing the efficiency of the contracting process and compliance with competitive bidding requirements.</p>	<p>Contract Compliance</p>	<p>Record Retention Policy has been updated so that all solicitation materials, outreach effort documents, including agreements and contracts, records for grantees, funded awarded contracts and non-funded grant and contract applicants, proposals from all bidders, and monitoring documentation shall be retained for a minimum of three (3) years past the date of grant/contract completion.</p>	<p>100% Completed January 2012</p>	
<p>4.5 Direct Contract Compliance staff to develop staff trainings that ensure the First 5 LA staff monitoring contracts and grant agreements are aware of all compliance requirements and understand the necessity of updating the database with current contractor and grantee information.</p>	<p>Contracts Compliance &amp; Grants Management</p>	<p>Contracts and GM to provide training and technical assistance to all other departments on compliance procedures for monitoring of grants and contracts. This training will be available bi-annually to all staff overseeing grants/contracts.</p>	<p>100% New Mandatory Training on April 23-27, 2012</p>	<p>Training document is available online for staff review.</p>
<p>4.6 Direct staff of the Finance and Grants Management departments to develop requirements that ensure contractors submit and adhere to an itemized budget and consistent performance metrics.</p>	<p>Finance &amp; Contracts Compliance &amp; Grants Management</p>	<p>Contracts to provide compliance guidelines and schedule of fiscal and performance evaluation documentation (i.e., invoices, MOUs, insurances, progress reports, site visits, budget modifications) to grantees/contractors. Such documentation will be entered and tracked in GIFTS/ECM. If out of compliance, grantee/contractor will be placed on Level I or Level II non-compliance status by May 2012.</p>	<p>50%</p>	

**Staff Response to HMR Phase 2 Audit**

**5. Human Resource Management**

- Like any organization, the effectiveness and success of First 5 LA is dependent on attracting and retaining talented and motivated employees. However, little information about the organization's effectiveness in this regard is formally prepared for review by management or the Board of Commissioners. Key human resource management indicators such as turnover, compensation, staff morale, and performance evaluation results, are not regularly collected and reported to the Board of Commissioners.
- Staff turnover has ranged from 8 to 19 percent per year over the last four fiscal years. These rates are generally higher than rates reported by other surveyed First 5 agencies and national benchmark rates for public agencies. Turnover rates should be regularly reported and analyzed by management to determine if there are human resource issues such as compensation, work environment or lack of advancement opportunities that need to be addressed to attract and retain high caliber employees.
- First 5 LA management does not track and report the next place of employment of separating employees. Staff morale surveys conducted in 2008 for the agency identified work environment issues needing improvement, but those surveys have not been distributed to the Board of Commissioners or used as the basis for improvements.
- It is unclear when the last compensation schedule setting salary ranges for employee classifications was revised based on a salary survey approved by the Board of Commissioners. Documentation was provided showing the Board of Commissioners approved a compensation study in 2001. A compensation schedule that was revised in 2006 was provided, but without documentation of Board of Commissioners approval. Further, a compensation study was conducted in 2007, but First 5 LA management reports that it was not approved by the Board of Commissioners.
- Based on best practices, a compensation schedule that has not been revised in five years or more puts the organization at risk of compensating employees at levels that are not comparable and/or competitive with the market. The current compensation schedule groups disparate staff classifications together and provides broad pay ranges of up to 75.4 percent. This gives management needed flexibility in establishing and adjusting salaries but makes it difficult from a governance perspective to determine if salaries are internally equitable and reasonable compared to market rate salaries. Some employees are currently being paid below or above established pay ranges.

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p>5.1 Direct management to annually report human resource management performance indicators to the Board of Commissioners including: (a) turnover based on the number of separations relative to actually filled positions; (b) a summary of reasons for turnover; (c) grievance data; (d) a summary of performance evaluation frequency and timeliness; and, less frequently such as every two years, (e) results of independently conducted staff morale and satisfaction surveys. Plans of action should be prepared in instances where high rates of turnover are occurring or staff concerns and issues are identified that could be contributing to staff turnover and/or frequent investigations of grievances.</p>	<p>Human Resources / CEO / Legal</p>	<ul style="list-style-type: none"> <li>• Design and implement an exit interview tool to capture additional separation information.</li> <li>• Define the parameters for reporting grievance data and define what issues rise to the definition of "grievance" to ensure appropriate reporting and to safeguard employee confidentiality. Create a report format for presentation to the Commission by May 2012.</li> <li>• Turnover reports exist in the HRIS system used by HR. Define the parameters for excessive turnover for the organization and/or for each department, and run reports accordingly for presentation to the Commission starting in May 2012.</li> </ul>	<ul style="list-style-type: none"> <li>• 100% Complete</li> <li>• 50%</li> </ul>	<ul style="list-style-type: none"> <li>• Exit interview tool is in place.</li> <li>• In collaboration with the Commission and executive management define the parameters for collecting and reporting employee complaint information using best practices in HR.</li> <li>• In collaboration with the Commission and E Committee, define the parameters for excessive turnover for the organization and/or for each department.</li> </ul>

**Staff Response to HMR Phase 2 Audit**

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p>5.1 Direct management to annually report human resource management performance indicators to the Board of Commissioners including: (a) turnover based on the number of separations relative to actually filled positions; (b) a summary of reasons for turnover; (c) grievance data; (d) a summary of performance evaluation frequency and timeliness; and, less frequently such as every two years, (e) results of independently conducted staff morale and satisfaction surveys. Plans of action should be prepared in instances where high rates of turnover are occurring or staff concerns and issues are identified that could be contributing to staff turnover and/or frequent investigations of grievances.</p>	<p>Human Resources</p>	<ul style="list-style-type: none"> <li>Obtain authorization from the Commission by June 2012 to prepare and issue an RFQ to identify and contract with an independent consultant to design and conduct biennial employee morale and satisfaction surveys.</li> <li>Prepare and present a report to the Board of Commissioners by December 2012 to include:                             <ul style="list-style-type: none"> <li>Turnover data (annually)</li> <li>Grievance data (annually)</li> <li>Timeliness of performance evaluations (annually)</li> <li>Staff morale and satisfaction surveys (biennially)</li> </ul> </li> <li>Action plans to address high turnover or staff concerns to be designed and implemented in consultation with executive management and the Board of Commissioners as needed.</li> </ul>		<ul style="list-style-type: none"> <li>Define terms for the RFQ with the Commission, and executive management.</li> <li>Determine recurring date for presentation of data to the Commission.</li> </ul>
<p>5.2 Update its compensation policy and direct management to: (a) conduct a compensation survey at least every five years covering salaries and benefits; (b) revise the existing compensation schedule to include more distinctions of different classifications, and (c) update the compensation ranges for review and approval by the Board of Commissioners.</p>	<p>Human Resources</p>	<p>Obtain authorization from the Commission by June 2012 to prepare and issue an RFQ to identify and contract with an independent consultant to do the following:</p> <ul style="list-style-type: none"> <li>Design and conduct a comprehensive compensation survey (salary and benefits) and job classification study to ensure that all positions are classified properly and that compensation for each position is competitive with comparable positions in the relevant labor market</li> <li>Design and recommend a compensation management plan and accompanying practices to enable First 5 LA to attract and retain qualified, high quality staff members</li> <li>Design and recommend a system for pay adjustments based on performance appraisal scores and other criteria to ensure that high performance is rewarded</li> <li>Design and recommend a method for addressing any existing pay inequities</li> </ul> <p>Present compensation survey findings and recommendations to the Board of Commissioners.</p>	<p><b>25%</b> <b>April 2012 Commission Meeting</b></p>	

**Staff Response to HMR Phase 2 Audit**

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p>5.3 Direct management to develop an agency-wide training curriculum that addresses both technical skills required to complete responsibilities assigned to each classification, as well as management skills expected for the higher levels of employee classifications. Participation in courses, conferences, or seminars that meet the training curriculum requirements should be centrally tracked for the entire agency.</p>	<p>Human Resources</p>	<p>Obtain authorization from the Commission by June 2012 to prepare and issue an RFQ to identify and contract with an employee training and development specialist to do the following:</p> <ul style="list-style-type: none"> <li>• Conduct a review, by department, to define the technical skills required for each job by classification</li> <li>• Conduct a skills assessment for each employee, to determine their individual technical skill set relative to the defined and required technical skills defined for their position</li> <li>• Develop and implement a technical skills curriculum for each department and individual curriculum for employees as needed</li> <li>• Develop a management skills curriculum for the managers and directors of the organization that can be delivered either by the contractor or by the HR department staff</li> </ul> <p>Develop a tool to track participation in professional training courses, conferences and/or seminars. Enter the data into the HRIS system utilized by the HR Department and report to management/for the Commission as needed.</p>	<p><b>10%</b> <b>Leadership Academy</b></p>	

**Staff Response to HMR Phase 2 Audit**

**6. Research and Evaluation**

- The three main types of research and evaluation conducted by or for First 5 LA are: (1) semi-annual or annual program evaluation reports submitted by grantees and contractors to Program Officers for compliance and process improvement; (2) an annual evaluation report submitted by First 5 LA to the State detailing target populations served; and (3) comprehensive evaluations conducted by First 5 LA staff and/or contractors to measure the impact of various initiatives.
- Staff reports that all programs and initiatives are subject to a comprehensive evaluation during their program term. However, some evaluation results for small investments are not reported to the Board of Commissioners and some evaluations for larger investments are not conducted or reported to the full Board of Commissioners until the end of the program, or on an impromptu basis at hearings. As a result of this approach, the Board of Commissioners may not receive an assessment on the impact of a program for several years. The only assessment of agency-wide results the Board of Commissioners receives is the annual report submitted to the State, but this only covers a limited number of performance results.
- First 5 LA staff developed a framework as well as a list of specific research projects and activities for place-based programs. With input from some Commissioners, staff defined the purpose, expected learning outcomes and timelines for each research project prior to approval by the full Board of Commissioners. However, First 5 LA has not developed a similar framework for the more recently approved Countywide Augmentation programs.
- First 5 LA is starting to implement evaluation “dashboards,” or “snapshot” reports with key metrics and performance indicators for each Best Start Community to: (a) monitor First 5 LA’s progress in reaching intermediate and long-term outcomes outlined in the Strategic Plan; and, (b) measure the agency’s effectiveness in a transparent manner that is easily accessible by stakeholders. However, comparable dashboards have not been implemented for countywide strategies and programs.
- Some First 5 agencies in other counties surveyed have implemented electronic data systems for their grantees to input required performance and outcome data. First 5 LA has implemented such a system but it can only be used by the grantees of five initiatives. However, First 5 LA reports that it is currently developing a technology plan and seeking a new data system. This system should be utilized by all grantees and contractors for the efficient use of data for multiple evaluations and to facilitate knowledge sharing among stakeholder.

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p>6.1 Direct management to develop policies and procedures for a standardized approach to the development and approval of research and evaluation for all new programs that include: (a) the vehicle(s) by which Commissioners may provide feedback in the development of research and evaluation projects prior to formal approval by the entire Board of Commissioners; and, (b) a requirement that all research and evaluation project proposals include the purpose, expected learning outcomes, list of specific activities, and timelines for each activity or phase of the project, prior to approval.</p>	<p>Research and Evaluation</p>	<p>(a) A written policy will be included in the Revised Accountability and Learning Framework by April 2012. Commission briefing to occur February 9, 2012. The procedure will include a standing item on the Planning Committee meeting agenda for R&amp;E project proposals to be presented and discussed. Project proposals may also be presented in individual briefings with Commissioners. (b) Proposals will include the purpose, expected learning outcomes, list of specific activities, and timelines for each activity or phase of the project, prior to formal Board approval.</p>	<p>100%</p>	
<p>6.2 Direct management to implement the use of annual dashboard reports that incorporate regularly reported output and outcome data from all grantees, contractors, and community partners. Implementation should include written policies and procedures that: (a) require that a compilation of the dashboard data be presented to the Board of Commissioners to provide an annual assessment of agency-wide performance; (b) require the dashboards to be displayed online and easily accessible by various stakeholders; (c) include an additional report on grantees or contractors that have been underperforming; and, (d) require such grantees and contractors to be available for questions and discussion during the presentation of the dashboards at Commission meetings.</p>	<p>Research and Evaluation  Administration &amp; Programs Division</p>	<p>(a) The Annual Evaluation and Learning Report will include a compilation of dashboard data to provide an annual assessment of agency-wide performance by April 2012. (b) Dashboards will be displayed online and easily accessible by April 2012. (c) and (d) Develop policies and procedures to report information on grantees that have been underperforming, requiring such grantees to be available for questions and discussion during presentation of the dashboards at Commission meetings by September 2012.</p>	<p>(a) 50%  (b) 100%  (c) in progress</p>	<p>April Commission Meeting</p>

Staff Response to HMR Phase 2 Audit

Auditor Recommendations	Department	Action Plan	Date Completed (% Completed)	Comments
<p>6.3 Direct management to implement the Data Systems Integration strategy and ensure that it includes the purchase and development of an electronic system that allows <i>all</i> grantees to input both output and outcome data online so that data from grantees could be collected consistently and efficiently and used in a more efficient way to: (a) assemble the Annual Evaluation Reports to First 5 California; and, (b) complement the data used for more comprehensive evaluations. Further, this data should be accessible to key stakeholders, including grantees to facilitate sharing of best practices and process improvement.</p>	<p>Research and Evaluation &amp; Information Technology</p>	<p>a) Conduct Information Assessment and Develop Technology Plan.                      b) Establish Technology Planning Governance Committee to oversee implementation of the plan                      c) Revise Chart of Accounts to be revised by December 2012.                       d) Improve and integrate internal administrative data systems (Blackbaud, GIFTS, ECM) to be completed by December 2012.                      e) <b>Design and develop a consolidated model data elements for program and administrative data to be completed by December 2012.</b>                      f) <b>Purchase/build and Integrated Data System (IDS) for Program data to be completed by December 2013.</b>                      g) <b>Identify and integrate data from external county-wide agencies (e.g., Department of Public Health, LAUSD, etc.) into IDS to be completed by June 2014.</b>                      h) <b>Integrate program data (IDS) and administrative data systems (GIFTS, Financial Edge, ECM) for a consolidated view of information to be completed by June 2014.</b></p>	<p>a) Completed July 2011                      b) Completed September 2011                      c) <b>RFP released; proposals being reviewed</b>                      d) in progress                      e) <b>in progress</b>                      f) in progress                      g) to be commenced in FY 2012-13                      h) to be commenced in FY 2012-13</p>	



# **LABOR CODE §4850**



## **COMMITTEE MEMBERS**

**Alf Schonbach – Chair**  
**Bob Cremer**  
**Thomas Joyner**  
**R. Bruce McCormick**



# LABOR CODE §4850

## INTRODUCTION

Safety personnel of the County of Los Angeles, including members of the Sheriff's Department, Probation Department, and the Fire Department, are exposed to on-the-job physical demands and bodily risk as part of their daily job duties. When fire fighters, deputy sheriffs, and probation officers become disabled because of injuries or illness arising from job duties, provisions in California state law grant such employees with special work-leave benefits. State legislation, Labor Code §4850 (LC 4850), provides financial benefits to these public safety employees who are injured on the job. As the availability of funding for safety departments reaches critical constraints, cities and counties in California are required to balance the fiscal requirements of providing out-of-work benefits with the need to provide sufficient staff for the public's safety.

The Civil Grand Jury has undertaken a study of this State law, as administered by the County of Los Angeles, to assess this State benefit to affected employees versus the challenge of providing for public safety. In part, this study was driven by the County-provided figure of \$167.4 million that was the cost of salaries of employees who were on LC 4850 leave during the period of FY 2002-2003 through FY 2010-2011, including \$51.5 million in 2010-2011.<sup>1</sup>

## BACKGROUND

California Labor Code §4850 was enacted by the State of California in 1939 to provide special benefits to public sector safety employees. This legislation's intent was to assure that safety personnel were not deterred from fully committed performance of their duties out of concern for loss of earning capability due to potential on-the-job injury. Eligible Los Angeles County employees were included in the LC 4850 plan beginning in 1949.

Specific LC 4850 benefits include:

- Entitlement to a leave of absence for up to 12 months without loss of salary in lieu of disability payments.
- While on leave, credit for a year of service for purposes of calculating final retirement benefits.
- 100% exemption of salary payments from state and federal taxes for the period the employee is covered under LC 4850.

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<sup>1</sup> Source: Los Angeles County Risk Management Annual Report 2010-2011

- Only 50% of final retirement benefits are subject to state and federal taxes. This benefit results from the Los Angeles County Employees Retirement Association (LACERA) plan which allows for a disability benefit that is 50% of final compensation. An applicable Internal Revenue Service tax code allows a surviving spouse to enjoy the same favorable tax treatment.

## **METHODOLOGY**

LC 4850 covers a wide variety of safety personnel. The Civil Grand Jury's study was restricted to deputy sheriffs, firefighters, and probation officers. Not included were such County employees as airport law enforcement officers, lifeguards, harbor police officers, and District Attorney investigators, among others.

The Civil Grand Jury focused its inquiry of the LC 4850 program as follows:

1. A management-level review of the LC 4850 programs as administered by the Los Angeles County Sheriff, Fire, and Probation departments.
2. An operational assessment of the LC 4850 program in Los Angeles County to determine if appropriate safeguards and oversight are in place to reduce potential waste and/or fraud.
3. A comparison with the LC 4850 programs managed by other counties and cities in California to see if successful program details might be recommended for adoption by Los Angeles County.
4. An examination as to the effect of the LC 4850 programs in Los Angeles County on public safety. Does the program have an adverse effect on staffing and deployment of Sheriff, Fire, and Probation personnel in the community? If so, are there possible modifications that the County might adopt to ameliorate this situation while ensuring that the program remains consistent with applicable State legislation?

To gain information on implementation of the LC 4850 program, the Civil Grand Jury interviewed the following persons:

- Management members of the Risk Management Branch of the Los Angeles County Chief Executive Office
- Attorneys from the Los Angeles County Office of County Counsel
- A senior officer of the Los Angeles County Sheriff's Return To Work Unit
- A senior officer of the Los Angeles County Fire Department's Return To Work Unit
- An executive management member of the Los Angeles County Probation Department

In addition, the Civil Grand Jury prepared a survey questionnaire regarding local policies and procedures of the LC 4850 plan and submitted it to 20 counties and cities in California to gain further information of the plan.

## **DISCUSSION**

### **Los Angeles County Sheriff's Department (LASD)**

The LASD follows a certain set of pre-established departmental rules for qualifying incapacitated deputies to transition into "4850" status. Generally, the following steps occur after a service related incapacitating injury or illness:

- The filing deputy must be accompanied by his/her supervisor when visiting a physician for the initial LC 4850 qualifying medical assessment of the injury/illness. No deputy can visit his/her private physician for LC 4850 qualification purposes, but they can use a private physician for a second opinion if they request.
- All physicians are selected from a panel of pre-approved medical specialists.
- During an approved LC 4850 absence, follow-up reporting is a standard procedure whereby the deputy must be available during specified "core-hours" for telephone contact by LASD supervision on a weekly basis. Core hours are typically 9:00am to 5:00pm.
- The department makes every effort to develop appropriate return-to-work policies, building on the finding that most deputies express esprit-de-corps and a strong desire to be back on the job, even where the injury/illness is presumptive. The goal of the LASD "bifurcated program" is to get LC 4850 qualified deputies back to work within 90 days.

Presently, the LASD records reflect a range of 2.5% - 3% of sworn officers out on injury leave at any given time.<sup>2</sup>

In spite of reasonable success with its LC 4850 program thus far, LASD expressed a desire to monitor the effectiveness of the Fire Department's "Carve-Out" program and implement a similar Carve-Out, if warranted. Carve-Out is an expedited program that uses negotiated agreements to supply a panel of designated physicians, accepted review and response times, and general review procedures. If adopted, Carve-Out would be implemented as part of the LC 4850 program at LASD.

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<sup>2</sup> Source: Interview with LASD Return To Work Staff, December 16, 2011

## **Los Angeles County Fire Department (LACFD)**

The Los Angeles County Fire Department has made a significant effort to shorten the time between the on-the-job injury or acquired illness and the follow-up treatment of the injured firefighter. The intent of these changes is to generate significant cost avoidance to LACFD and to facilitate well-organized and judicious medical care for the injured or ill employee.

The Fire Department was the first County department to begin the implementation of a carve-out program, which uses an exclusive list of medical providers to be the sole and exclusive source of medical evaluations. These providers are agreed to by both labor and management, and accelerate the steps to resolve medical disputes.

### **Return-To-Work Phases**

- Phase 1: 24-Hour Contact and Return-to-Work Coordinators' Regional Assignments. The goal of this phase is to ensure that the newly injured or ill employee will receive a personal telephone call from an appropriate supervisor within 24-hours of a reported injury or illness to provide better case management and accelerate the early return-to-work of the injured or ill employee.
- Phase 2: Use of Initial Treatment Centers (ITCs) for initial medical evaluations of work-related injury/illness claims. The goal of this phase is use ITCs to reduce the workers' compensation cost to the Department while providing quality medical care to employees.
- Phase 3: Utilization of Kerlan-Jobe Orthopedic Clinic (KJOC) and Southern California Orthopedic Institute for orthopedic evaluation of work-related injury claims. The use of KJOC will facilitate the timely scheduling of initial and follow-up appointments of orthopedic injuries to employees.
- Phase 4: Early Return-to-Work (RTW) program, that develops and implements meaningful limited work assignments. The use of an early RTW program will preserve the knowledge, skills, and abilities of injured or ill employees.

## **Los Angeles County Probation Department**

The Probation Department assigns its new employees to work in the Juvenile Halls and Camps for their first few years. They begin work as Department Service Officers (DSOs) and, as they gain experience and training, may qualify to become Department Probation Officers (DPOs). The Probation Department considers employment at its juvenile halls and camps to be arduous work due to the violent nature of some of the minors housed in those facilities. It is not unusual for DSOs to experience a greater number of LC 4850 claims earlier in their careers than more experienced DPOs involved in less arduous field work.

The Probation Department has recently implemented a decentralized Return-to-Work (RTW) program based on the Sheriff's decentralized RTW program. Local RTW coor-

dinators have been designated at each hall, camp and regional field office area in order to establish an on-site contact for all assigned employees. Training classes for the new RTW policies and procedures based on the Sheriff's model have been developed and implemented.

The Probation Department meets monthly with the Third Party Administrator (TPA), resulting in a more expeditious resolution to employee claims and the return of employees to work in appropriate full-duty positions and/or assignments. Probation makes weekly contact with employees on LC 4850 leave, including home visits where appropriate.

Probation has realized significant improvements in RTW issues since implementing the new RTW policies in the fall of 2011. The total number of employees on RTW status has been reduced from 775 on November 11, 2011, to 669 as of February 15, 2012, reflecting a 9.8% reduction in that three month period.<sup>3</sup>

### **Other Counties and Cities**

A total of 10 cities and counties responded to CGJ questionnaires seeking information about how their respective jurisdictions manage LC 4850 programs and what specific policies and procedures they use to govern the program. The purpose of these inquiries was to learn of possible "best practices" that could be adopted by Los Angeles County. After reviewing these responses the CGJ found no notable differences in the general policies and procedures used by these outside jurisdictions when compared to the policies and procedures used by the Los Angeles County departments. The single important exception was the use of a "Carve-Out" program, which is described in this report.

A few noted variances centered on how aggressively each of the jurisdictions reacted to:

- Conducting frequent updates regarding the health and recovery of injured workers
- Finding modified alternate duty for injured workers
- Dedicating staff to full-time return-to-work duties

### **Program Observations**

A review of all the various jurisdictions studied revealed certain approaches to the day-to-day procedures of the LC 4850 program in the following areas:

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<sup>3</sup> Source: March 8, 2012 report to Los Angeles County Bd. Of Supervisors from Probation and Chief Executive Office departments, Joint Status Report On Probation Return-To-Work Plan

1. Primary Treating Physician Options

- Some counties and cities permit an employee go to whichever individual physician an employee prefers
- Some counties contract with Kaiser
- Individual physician panel are selected by some counties
- Some counties contract with a vendor to assemble a team of physicians to whom injured workers are referred
- Some counties and cities use a program called “Carve-Out”. Carve-outs use an exclusive list of medical providers to be the sole and exclusive source of medical evaluations. Injured safety workers are sent to Medical Provider Networks, which consist of Independent Medical Examiners (IMEs). These IMEs are mutually approved by both management and labor to provide binding medical opinions and decisions. Use of carve-outs expedites the procedures for injured workers to get medical help and reduces the number of medical disputes between management and workers.

2. Handling of Appeals/Disputes Resulting from Medical Decisions

- Some counties and cities use a Third Party Claims Adjuster to adjudicate disputes
- Some counties and cities use a Qualified Medical Examiner (QME) to mediate disputes
- Some counties and cities use or are planning to use the carve-out program, in which the diagnoses of a panel of selected doctors are accepted by the jurisdiction and labor as binding

3. Monitoring of Off-Work Employees

- Some jurisdictions, including the Los Angeles County Sheriff’s Department, engage in periodic drive-bys to monitor the activities of employees confined to non-stressful activities at home. These monitoring activities are performed by sworn personnel.
- Some jurisdictions, including the Los Angeles County Fire Department, do not engage in drive-bys to monitor the activities of injured workers receiving LC 4850 benefits. The LACFD has begun a program that aggressively seeks to return employees receiving LC 4850 benefits to temporary modified work by maintaining active communication with the injured worker, treating physician, and the workers’ compensation third party administrator. The premise of the program is that returning an injured worker to modified duty will expedite his

return to full duty. The LACFD also has experience that peer pressure from fellow firefighters will serve to motivate injured workers to dependably follow recovery plans in order to return to active service as soon as possible.

4. Return To Full Employment and Efforts to Find Modified Employment

- Some jurisdictions, including the Los Angeles County Sheriff, require an injured worker’s supervisor to accompany the worker to initial and subsequent physician’s appointments. This permits the supervisor to fully understand the nature of the injury/illness and to discuss possible modified duties with the physician.
- Consistent and ongoing communication between the injured worker, the employer, and physicians significantly helps to reduce time off from work on LC 4850 leave through consciously planned treatment plans, active efforts to create modified job duties, and to match workers with these modified jobs.
- Some jurisdictions, including most counties surveyed, employ fulltime RTW staff. The RTW staff work with the injured worker’s department and the involved physicians to see if modified duty can be found which accommodate the physician’s work restrictions. When temporary modified duty can be agreed upon, the RTW staff prepares contracts or agreements which formalize the work to be done, the duration of the modified duty, and a target date to return to full duty.
- In the case of all cities and counties surveyed, each jurisdiction does periodically conduct case updates with the physician to note any changes in the condition of the injured worker which would hasten or delay the worker’s ability to return to work. In general, the jurisdictions which conduct these updates more frequently appear to have more success in returning the workers to some form of employment as soon as possible.
- The chart below shows the rate at which employees in surveyed counties return to full duty prior to the twelve month LC 4850 maximum period:<sup>4</sup>

Percent Returning to Duty in Less than 365 Days								
Alameda	Marin	Merced	Riverside	Sacramento	Santa Barbara	San Bernardino	San Diego	Ventura
87%	90%	60%	80%	82.5%	91%	92.5%	No response	90%

<sup>4</sup> Source: 2011-2012 Los Angeles County Civil Grand Jury survey of selected California counties.

Rates for Los Angeles County departments are:<sup>5</sup>

- Sheriff: 97.4%
- Fire: 95.5%
- Probation: 90.7%

### **Presumptive Injuries**

California Labor Code §3212 et seq. includes provisions that enable specified safety workers, including firefighters and law enforcement officers, to claim certain injuries and/or illnesses as job-related. These identified injuries and illnesses are “presumed” to be caused by duties of the safety occupations. Examples include:

- Heart problems
- Cancer
- Meningitis
- Hernias
- Lower back problems
- Blood-borne pathogens
- Reactions to chemical substances
- Pneumonia

The effect on public jurisdictions by LC §3212 et seq. is that these and other examples must be presumed to be caused by job duties, and thus places the burden of proof on the county or city to demonstrate otherwise. As an example, LC §3212.5 cites the following:

Such heart trouble or pneumonia so developing or manifesting itself in such cases shall in no case be attributed to any disease existing prior to such development or manifestation.

As a result, counties and cities must engage in extensive research and analysis if they wish to contest the origin of an injury or illness contained in a LC 4850 claim and prove that it was not caused on the job. The CGJ found several cases of public jurisdictions contesting the presumptive nature of claimed injury or illness, including:

- While lung cancer may be a direct result of the duties of a firefighter, must it be presumed that colon cancer is also a direct result of fighting fires?
- Because medical research conducted by a specific city revealed that 80% of all adults suffer from some form of lower back problems, must the city presume that a law enforcement officer’s duty belt caused his lower back problems?

The CGJ, in surveying a number of cities and counties to learn of their respective LC 4850 policies and procedures, found varying degrees to which a jurisdiction goes to contest a “presumed” on-the-job injury. One county automatically disputes and contests

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<sup>5</sup> Source: Los Angeles County Chief Executive Office, Risk Management Branch

any claim based on a presumed injury. Another county accepts the presumption concept of LC §3812 and approves all such claims. Another county weighs the potential litigation costs expected from final dispute resolution as a factor in approving or denying a LC 4850 claim based on a presumptive injury. An additional county requires a deputy sheriff to wear a duty belt for a minimum of five years before claiming LC 4850 benefits based on lower back problems.

The CGJ interviewed senior staff from the Los Angeles County's Risk Management Branch of the Chief Executive Office regarding the County's position on presumptive injury. The County's position is that all presumptions contained in the Labor Code are rebuttable.

Accordingly, the County delays and investigates all claims filed under the presumption statutes. If the investigation, often an admissible medical opinion from a QME, rebuts the presumption, the claim will be denied. The worker alleging the injury has the right to contest the denial, and the dispute will be resolved by the Workers' Compensation Appeals Board.

### **American College of Occupational and Environmental Medicine (ACOEM) Standards**

The ACOEM publishes Practice Guidelines, which are intended to or restore the health of workers who suffer occupationally-related injuries or illnesses. These guidelines were researched, tested, and written in response to rising expectations for quality of care, increased expectations for positive outcomes, the need to reduce or stop unproductive or medical practices, and the desire to prepare injured workers to return to their jobs when they are ready.

The CGJ found that the City of Long Beach uses these ACOEM guidelines as an integral part of its Return-to-Work program. The County of Los Angeles Workers' Compensation Program uses the Medical Treatment Utilization Schedule (MTUS), which incorporates ACOEM, in its administration of all workers' compensation claims.

### **Extensions to the One Year Limit for LC 4850 Benefits**

During its research of the LC 4850 program, the CGJ learned that cities and counties have experienced instances in which injured workers attempt to extend their LC 4850 benefits past the statutory-based one year limit by claiming new injuries/illnesses or exacerbation of existing injuries/illnesses, particularly as they near the end of their one year LC 4850 status. The CGJ noted that one city scrutinizes such claims closely. The city checks to see if changes in medical tests, exams, and treatment plans have occurred in the records of such workers. The absence of such changes may indicate that no new injury/illness or exacerbation of an existing injury has taken place.

The County of Los Angeles closely evaluates multiple claims to ensure that excessive LC 4850 benefits are not provided, and has taken the position that LC 4850 runs concurrently on multiple claims. This policy requires that the County carefully evaluate all records included in workers' compensation claim files.

## **LC 4850 As An Entitlement?**

An examination of LC 4850 data by the CGJ revealed a seemingly high percentage of Los Angeles County firefighters who were on LC 4850 leave for 9-12 months immediately prior to their predetermined retirement dates. A lesser percentage was found for members of the Los Angeles County's Sheriff's Department. For the period 2001 to 2004 (more recent data was not available) 87% of Fire Department employees who were scheduled to take service-connected disability leave spent their last year on LC 4850 status and were entitled to the LC 4850 benefits mentioned earlier in this report. For this same four year period 79% of Sheriff's employees were on LC 4850 leave for the year preceding their disability retirement dates.<sup>6</sup>

Although data from more recent years was not available to the CGJ, the County's Risk Management Branch indicated that the percentages cited above would probably not vary to any great extent in more recent years.

This information, considered in context with comments received from other counties surveyed and from newspaper editorials, caused the CGJ to consider the use of LC 4850 as an entitlement option for safety workers nearing the end of their careers<sup>7</sup>. It is not unreasonable to think that individual employees may use LC 4850 to expand and "pad" their retirement benefits prior to retirement.

## **Costs to Los Angeles County**

The CGJ considered a number of costs to the County resulting from its current LC 4850 practices, including:

- An employee out of service on LC 4850 status encumbers a budgeted position. Overtime is required to backfill behind the encumbered position to provide sufficient staffing in public safety based operations.
- As available overtime funds are depleted, the departments are required to grant compensatory time off to firefighters, deputy sheriffs, and probation officers. As a result, understaffing of public safety functions may occur, with possible negative consequences to public safety.
- Money is needed to pay overtime causing "reshuffling" of departmental budget priorities, causing reprioritization of other significant department needs.

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<sup>6</sup> Source: January, 2005 Report by Los Angeles County Chief Executive Office, "Report on the Influence of Calif. Labor Code §4850 and the County of Los Angeles Service Connected Disability Retirements on the County of Los Angeles Workers' Compensation Program"

<sup>7</sup> Editorial sources: *Sacramento Bee*, May 10, 2010; *Los Angeles Daily News*, July 2, 2011

- Deputy sheriffs, firefighters, and probation officers are needed to monitor LC 4850 persons on leave and accompany them to medical appointments instead of performing main mission work.
- Extended LC 4850 leave may result in compromised job performance upon return to work due to diminished physical fitness and missed training and education.

## FINDINGS

1. The “Carve-Out” program, currently used by the Fire Department, not only reduces the time needed to refer injured workers to medical personnel, but also minimizes the number of disputes regarding LC 4850 eligibility resulting from medical treatment plans and opinions.
2. Although California Labor Code §3812 et seq. recognizes the concept of certain “presumptive” injuries associated with safety workers, cities and counties may rebut these presumptions based on available eye witnesses and applicable case information.
3. Conducting analyses of on-the-job injuries incurred by County safety workers should assist County departments to identify the most frequently occurring injuries, and assist the departments to develop specific training programs to reduce the occurrence of these injuries.
4. Individuals on LC 4850 leave may seek ways to manipulate the program’s rules and regulations to gain more than one year of benefits.
5. The American College of Occupational and Environmental Medicine (ACOEM) publishes researched and tested guidelines covering on-the-job injuries and effective quality of care, reduction of unnecessary medical procedures, and full health restoration recommendations. These standards are included in the Medical Treatment Utilization Schedule (MTUS). The standards are used by several of the counties surveyed by the CGJ.
6. The Sheriff’s Department often uses sworn officers to transport injured workers to scheduled appointments with physicians.
7. The Sheriff’s Department often uses sworn officers to conduct drive-by surveillance of officers assigned to their homes as part of their LC 4850 injury recovery plans.
8. Data provided by the County’s Risk Management Branch of the Chief Executive Office suggests that individual safety workers may view the benefits of the LC 4850

program as an entitlement, and make efforts to gain LC 4850 status just prior to their planned retirement dates, thereby increasing their final retirement benefits.<sup>8</sup>

9. Discussions with the County's Risk Management Branch suggest that on occasion an injured safety worker remains on LC 4850 status after clear evidence is available to indicate that the worker's disability will prevent him from ever returning to performance of his duties.

## RECOMMENDATIONS

1. **The Los Angeles County Sheriff and Probation Departments** should adopt the "carve-out" program, as used by the Fire Department, to expedite the process of referring injured workers to approved physicians and to reduce the frequency of LC 4850 eligibility disputes.
2. **The Los Angeles County Sheriff, Fire, and Probation Departments** should continue to review all cases involving presumptive injuries to assure that each injury in question is job-related.
3. **The Los Angeles County Sheriff and Probation Departments** should adopt the practice of the Fire Department by gathering statistics to determine the most common and prevalent on-the-job injuries, and use these statistics to develop specific injury prevention and mitigation programs and training.
4. **The Los Angeles County Sheriff, Fire, and Probation Departments** should scrutinize requests from injured workers seeking to renew additional years of 4850 status by considering whether changes of medical tests, exams, and treatment plans have occurred.
5. **The Los Angeles County Sheriff, Fire, and Probation Departments** should ensure that the guidelines and standards established by the Medical Treatment Utilization Schedule (MTUS), which includes American College of Occupational and Environmental Medicine (ACOEM) recommendations, are used when setting treatment plans and time off from work in order to reduce excessive absences.
6. **The Los Angeles County Sheriff's Department** should consider using non-sworn personnel to transport and accompany newly injured workers to the primary treating physicians, allowing sworn officers to continue with mission-specific duties.
7. **The Los Angeles County Sheriff's Department** should consider the use of non-sworn personnel or sworn personnel on modified duty to monitor the activities of

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<sup>8</sup> Source: "Report of the Influence of the State of California Labor Code 4850 and the County of Los Angeles Service Connected Disability Retirements on the County of Los Angeles Workers' Compensation Program", January 2005; published by the Chief Administrative Office of the County of Los Angeles

workers on LC 4850 leave to ensure full compliance with medical plans, allowing sworn officers to continue with mission-specific duties.

8. **The Los Angeles County Sheriff, Fire, and Probation Departments** should review and compare the frequency of employees' LC 4850 initial claim dates that immediately precede their retirement dates, to determine if the LC 4850 program is being used in accordance with its intent.
9. **The Los Angeles County Board of Supervisors** should sponsor or support legislation allowing a public jurisdiction to terminate LC 4850 benefits and authorize disability pension benefits when clear and convincing evidence exists that an employee's work-related disability will preclude the worker from ever returning to the performance of his duties.

**RESPONSES REQUIRED**

<b>Recommendation</b>	<b>Responding Agencies</b>
1,2,3,4,5,6,7,8	Los Angeles County Sheriff's Department
1,2,3,4,5,8	Los Angeles County Probation Department
2,4,5,8	Los Angeles County Fire Department
9	Los Angeles County Board of Supervisors

**ACRONYMS**

<b>ACOEM</b>	American College of Occupational and Environmental Medicine
<b>CGJ</b>	Los Angeles County Civil Grand Jury
<b>DPO</b>	Department Probation Officer (Probation Department)
<b>DSO</b>	Department Service Officer (Probation Department)
<b>IME</b>	Independent Medical Examiner
<b>ITC</b>	Initial Treatment Center
<b>LACFD</b>	Los Angeles County Fire Department
<b>LASD</b>	Los Angeles County Sheriff's Department
<b>LC 4850</b>	California Labor Code §4850
<b>MTUS</b>	Medical Treatment Utilization Schedule
<b>QME</b>	Qualified Medical Examiner
<b>RTW</b>	Return To Work
<b>TPA</b>	Third Party Administrator



# OFFICE OF THE CORONER



## COMMITTEE MEMBERS

**Leah V. Granof – Co-Chair**  
**Rik Shubb – Co-Chair**  
**Bob Cremer**  
**Diana S. Lee**  
**Thomas C. Wentz**  
**Anita L. Wong**



# OFFICE OF THE CORONER

## INTRODUCTION

The current Los Angeles County Civil Grand Jury (CGJ) began a preliminary investigation into the Office of the Coroner (Coroner) regarding prior CGJ reports. The CGJ reports on the Coroner for the years 2002-2003 and 2009-2010 were researched by the CGJ and established a need to follow-up on the status of recommendations made in these reports.

The purpose of this investigation was to inquire into the three areas of continued and current importance of these recommendations;

1. The Coroner's role in responding to emergencies is dependent on the Emergency Operations Plan (EOP) provided by the Coroner.
2. The imminent retirement of both the Chief Medical Director and the Executive Director of the Coroner's Office and the difficulty in replacing them.
3. The adoption of an Electronic Case Management and Filing System.

The 2002-2003 CGJ report made the following recommendations to the Coroner and the Board of Supervisors:<sup>1</sup>

1. The Los Angeles County (LAC) Board of Supervisors actively support the Coroner in obtaining the appropriate personal equipment needed to deal with the bodies contaminated by chemical, biological or radiological agents.
2. The Coroner should undertake a program to transcribe all records to electronic data bases and then provide backup for these records at a secure off-site location.
3. The Coroner should develop criteria for temporary morgue sites and establish a listing of sites meeting them.

The 2009-2010 CGJ report made the following recommendations to the Coroner, LAC Chief Executive Officer and the Director of Health Services:<sup>2</sup>

1. The LAC Chief Executive Officer should allocate the funds required to maintain the level of budgetary support needed for the Coroner's optimum operations.
2. The Coroner should implement a bar code system for tracking specimen and evidence storage which will reduce manual labor and decrease identification errors.

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<sup>1</sup> 2002-2003 Los Angeles County Civil Grand Jury Final Report

<sup>2</sup> 2009-2010 Los Angeles County Civil Grand Jury Final Report

3. The LAC Department of Health Services should increase the capacity of the LAC Crematorium to meet the needs of the Coroner and revise the usage schedule to avoid outsourcing any cremations.
4. The Coroner should establish a priority of converting to an updated Internet-based Chief Medical Examiner case management system.
5. The Coroner should maintain an employee succession plan and monitor planned retirements so that all vacant positions can be filled quickly.

## **BACKGROUND**

The Coroner is mandated by law to inquire into and determine the circumstances, manner and cause of all violent, sudden, or unusual deaths occurring within LAC. This includes all homicides, suicides, accidental deaths, and natural deaths where the decedent had not been seen by a private physician within 20 days prior to death. The department's programs are structured specifically to facilitate this mandate and to ensure the appropriate interface with various law enforcement agencies, courts, health agencies, and mortuaries. Unstated in the mandate is the resolve that cause of death determinations and release of remains to the next of kin are made in a timely, sensitive manner.

According to documents provided by the Coroner, one out of every three deaths occurring in the County falls under the jurisdiction of the Coroner. The department is committed to the Board of Supervisors and the Chief Executive Officer to provide a 48 hour turnaround time on the disposition of Coroner cases. Budgetary restoration has dramatically improved the effectiveness of the Coroner, decreasing turnaround times to acceptable levels, while allowing the delivery of vital services in the most efficient and compassionate manner needed to accomplish this objective.

## **METHODOLOGY**

Initially, the CGJ toured the Coroner's facilities and met with all the Department heads. Subsequent to the tour, the CGJ revisited specific departments and personnel at the Coroner. These were:

- The Evidence Laboratory
- The storage areas for physical evidence
- The refrigerated areas for biological evidence
- The dedicated room used for the storage of emergency operations equipment such as protective body suits, headgear, and gloves as well as stretchers and other transportation equipment
- Quality Assurance personnel

Discussions with the personnel involved in the continued training of Coroner emergency personnel

- Demonstrations by the Coroner's emergency training personnel of the protective gear.

In-depth discussions were held with heads of the following departments to elicit information to arrive at the CGJ findings:

- Operations
- Information Technology
- Evidence-physical and biological
- Administration
- Medical Examiner
- Director/General Manager

## **DISCUSSION**

The CGJ investigation into the Coroner centered on the EOP, the Succession Plan for key Coroner personnel and the unmet needs of the Coroner such as equipment, an electronic data filing management system, and the necessary funding that accompanies these needs.

### **Emergency Operations Plan**

The Coroner provided the CGJ with the EOP for the County of Los Angeles. The EOP states that the department has a legal and moral responsibility to assure the correct identification of the dead, notify family and protection of personal property. These responsibilities have a legal significance for criminal prosecution as well as the inheritance and insurance issues that can impact the community and relatives for years after a significant event. The EOP addresses the Coroner's planned response to extraordinary emergency situations associated with natural and man-made disasters and technological incidents. The focus of the EOP is on potential large-scale disasters which could generate unique situations requiring an unusual or extraordinary emergency response.

The Coroner is the designated lead agency for addressing mass fatality issues and coordinating forensic operations following a mass fatality event within the County of Los Angeles Operational Area. The Coroner maintains jurisdiction for these events.

### **Succession Plan**

The Coroner submitted to the CGJ a draft copy of the Succession Plan dated September 2009. This plan is discussed below in detail.

The succession plan projects the needs at the department head level and first two levels of management at Los Angeles County Department of Coroner. These management levels currently include 18 employees. The plan considers projected Department needs, and includes the following sections:

- Current status and future needs at the Coroner; impact of external factors on succession planning
- Existing and anticipated functions of the Department
- Knowledge, skills, abilities, and competencies needed for each position within the scope of the document
- Existing and projected workforce, taking into account the estimated attrition rate for each position
- Positions with anticipated attrition; source of candidates for promotion
- Solutions:
  - Positions and competencies requiring development effort; resources available to promote staff development
  - Planned methods for recruiting outside candidates or selecting existing employees to fill impacted positions
  - Methods of improving job satisfaction, enhancing promotional opportunities, and supporting employees
  - Opportunities for redeployment of employees or restructuring job functions to fill gaps in staffing
  - Methods for training staff and archiving information which will be important for future occupants of critical positions.

The following Coroner positions in the Succession Plan are unique to the Coroner:

- Assistant Chief, Coroner's Investigations
- Chief, Coroner's Investigations
- Chief, Forensic Laboratories
- Chief Medical Examiner-Coroner
- Chief Physician I (forensic pathology)
- Chief, Public Services Division, Coroner
- Director, Department of Coroner
- Senior Physician (forensic pathology)
- Supervising Coroner's Investigator II
- Supervising Criminalist I
- Supervising Criminalist II

### **Unmet Needs Provided to the CGJ by the Coroner**

#### Electronic Case File System (ECFS)

The Coroner's case file management system is now 11 years old and no longer meets the needs of the Coroner. This system is antiquated, not web-based, not secure, and can no longer be upgraded. The ECFS is critical for the tracking and management of Coroner case documents, tracking of evidence, photographs, and other objects. The Coroner has entered into a collaborative effort with the Chief Information Officer (CIO), Internal Services Department, and private vendors to replace the existing system. The

estimated replacement cost is \$1,760,000 and the CIO has provided \$175,000 in seed money to begin the implementation of the ECFS. The Coroner has actively procured grants in the amount of \$348,000 to start the beginning phases of the system. The balance is \$1,257,000 estimated over a period of three years; \$465,000 is necessary to implement evidence tracking, morgue management, and physical folder tracking phases.

#### International Organization for Standardization (ISO) Laboratory Accreditation Senior Criminalist

The Coroner Forensic Science Laboratories have been accredited since 1993. The current laboratory accrediting body is adopting new requirements which invoke ISO-17025 accreditation standards. In order to successfully comply with this new international standard, the Coroner will need a dedicated quality assurance position (Senior Criminalist) to ensure a successful accreditation outcome. This position is budgeted at \$144,000.

#### Overtime Call-Back Funding

Over the last two budget years, the Coroner was forced to reduce overtime and call-back in order to avoid layoffs. However, overtime and call-back are critical for meeting the unanticipated needs associated with the mission of the Coroner particularly in responding to investigative field calls, transporting of decedents and providing autopsy support. The projected cost is \$273,000.

#### Vehicles

The Coroner depends on the vehicle fleet to accomplish its primary mission. In addition to responding to calls of death scenes to conduct medico-legal investigations, the Coroner requires vehicles to conduct death notifications, transport decedent remains, and conduct follow-up investigations to establish identification or next of kin information or subpoena medical records related to the death under inquiry. Vehicles are needed to respond to major incidents, remote locations and provide services to the County anywhere within 4,000 square miles comprising the County of Los Angeles. Budget curtailments have eliminated replacing vehicles in the past three years. Several vehicles have exceeded the 100,000 mileage marker. Four additional vehicles will satisfy the primary needs at this time at a projected cost of \$84,000.

#### Emergency Generators

The Coroner needs three generators to continue operations during emergencies. Power outages are expected in significant emergency disasters and generators will provide the temporary power source needed to ensure that the Coroner is able to operate and deliver its critical mission in such conditions. The projected cost of three generators is \$600,000.

### Building Security System

The three separate buildings that house the Coroner do not meet professional security standards given the sensitivity and legal mandate of the Coroner foren-sic operations. A keyless card system has been recommended to bring the Coroner up to security standards of the 21<sup>st</sup> century. The projected cost of the security system is \$415,000.

### Replacement/Upgrade of Antelope Valley Regional Office (AVRO)

The Coroner has operated a regional office in the Antelope Valley area for over thirty years. The current facility is a modular unit that is over 25 years old and in need of replacement or upgrade. The Coroner would like to establish an alternate Emergency Operations Center at the location, as well as add kennel facilities in support of the K-9 cadaver dog program. The projected cost to purchase a new facility, site preparation and related costs is \$500,000. The related cost for the Emergency Operations Center is approximately \$60,000.

**FINDINGS**

1. The Coroner has enlarged its morgue space and has built an adjacent building with a 500 slab capacity for the storage of bodies.
2. The Coroner transfers unclaimed remains to Los Angeles County+USC Hospital for cremation services and no longer performs these services.
3. The Emergency Operations Plan provided to the CGJ was a comprehensive plan adopted on March 22, 2011. The EOP appeared to be a plan written and adopted by a state wide organization. Many of the positions of responsibility are not specific to the personnel currently employed by the Coroner. Even though job descriptions are specified, actual responsibilities are difficult to determine.
4. The EOP does not provide training or continued education programs with key personnel. Continued formal training is a key component for success in implementation of the EOP.
5. The position of Director is scheduled to become vacant as of March 2012 due to the retirement of the current Director. The Chief Medical Examiner is also scheduled to retire at the end of 2012. However, the Succession Plan does not provide the search progress, the qualifications, or the possible candidates for the filling of vacant positions at the Coroner nor does it provide a direct succession plan for the key positions such as the Chief Medical Examiner or Director.
6. The Coroner currently uses an antiquated, non-web based, non-secure file management system that can no longer be upgraded. Intake of bodies and evidence is currently tracked manually, not electronically. This leaves evidence open to error in criminal cases and identification matters. These handwritten documents are filed in individual folders in cabinets. Currently, in the event of a fire or flood, all records could be lost or destroyed.
7. The Coroner Forensic Science Laboratories have been accredited since 1993. New requirements for accreditation are being adopted by ISO and the need for a specialist to ensure the accreditation process is met is critical.
8. Budget restrictions have eliminated the replacement of vehicles in the last three years and several vehicles have exceeded the 100,000 mileage marker.
9. The Coroner has no power back-up generators to use in the event of power outages.
10. The Antelope Valley Regional Office of the Coroner is over 25 years old. It does not meet the need for Coroner services in the high desert.
11. The Coroner's security system should be updated in light of the extreme sensitivity of the Coroner's forensic operations.

## RECOMMENDATIONS

1. **The Los Angeles County Office of the Coroner** should assign specific employees to act as the Department Emergency Coordinator, Public Information Officer, Operations Section Chief, Logistics Section Chief, Finance/Administration Section Chief, and Coroner Representative to the County Emergency Operations Center. These positions should be filled by other specific, capable, and qualified employees in the event that those assigned employees are no longer employed by the Coroner or unable to perform the assigned duties.
2. **The Los Angeles County Office of the Coroner** should provide ongoing training for all employees on a regular basis.
3. **The Los Angeles County Board of Supervisors** should begin an immediate search for a replacement of the Chief Medical Examiner prior to the retirement of the current Chief Medical Examiner in 2012.
4. **The Los Angeles County Office of the Coroner** should seek the necessary funding for the adoption of the Electronic Case File System (ECFS) necessary for the Coroner to track and manage coroner case documents, including evidence, photographs, and other related objects or materials.
5. **The Los Angeles County Office of the Coroner** should create a Senior Criminalist position dedicated to quality assurance to ensure a successful ISO Laboratory Accreditation.
6. **The Los Angeles County Office of the Coroner** should purchase four additional vehicles necessary for the Coroner to provide the services necessary for the County.
7. **The Los Angeles County Office of the Coroner** should seek and purchase/pursue three generators for the Coroner for use in case of power outages during emergency situations.
8. **The Los Angeles County Office of the Coroner** should upgrade or replace the Antelope Valley Regional Office.
9. **The Los Angeles County Office of the Coroner** should establish a keyless card entry system for security of the building used by the Coroner.

## RESPONSES REQUIRED

<b>Recommendations</b>	<b>Responding Agencies</b>
1, 2, 4, 5, 6, 7, 8, 9	Office of the Coroner
3	Los Angeles County Board of Supervisors

**ACRONYMS**

<b>AVRO</b>	Antelope Valley Regional Office
<b>CGJ</b>	Los Angeles County Civil Grand Jury
<b>CIO</b>	Chief Information Officer
<b>ECFS</b>	Electronic Case File System
<b>EOP</b>	Emergency Operations Plan
<b>ISO</b>	International Organization for Standardization
<b>LAC</b>	Los Angeles County



# MEDICATIONS FOR INMATES



## COMMITTEE MEMBERS

**Alf Schonbach – Co-Chair**  
**Rik Shubb – Co-Chair**  
**Delora Brown**  
**Bob Cremer**  
**Jon W. Valliere, Sr.**



# MEDICATIONS FOR INMATES

## INTRODUCTION

The Los Angeles County Civil Grand Jury (CGJ) focused its investigative efforts on providing information with respect to pharmacy services for inmates in the County. To better understand the pharmacy services provided, the CGJ visited pharmacy personnel, medical administrative personnel, Los Angeles Sheriff's Department (LASD) pharmacists, technicians and pharmacy helpers. In addition, the CGJ visited the LASD pharmacies at Twin Towers Correctional Facility, Men's Central Jail, and Century Regional Detention Facility.

This investigative report includes a list of medications dispensed and administered for the years 2002-2003 through 2010-2011. The costs of the medications and the percentage of the total medication budget are included as well. The CGJ included information from six counties outside of Los Angeles County to compare medication budgets, average daily populations and cost per inmate on a per day basis.

Topics of the CGJ review included:

- Information about medication costs
- Procurement of medications
- Pharmacy staffing
- Use of the AutoMed System for dispensing medications
- Transmittal of medication orders
- Verification that medications prescribed by doctors are given to correct inmates
- Lack of a perpetual inventory system
- Space confinements at the LASD pharmacies

## BACKGROUND

The Los Angeles County Sheriff's Department is responsible for administering to the medical needs of all incarcerated individuals within Los Angeles County (LAC). At the present time there are a reported 15,600 inmates<sup>1</sup> (approximate) confined to the County jails. This number of incarcerated individuals does not include any newly released individuals from the State penitentiaries under California State AB 109/117 enacted as of October 1, 2011. Inmates are housed and are under the supervision of the Sheriff's Department at eight facilities in LAC. The eight facilities are:

- Men's Central Jail (MCJ)
- Twin Towers Correctional Facility (TT)
- Pitchess Detention Center (4 individual units)

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<sup>1</sup> Source: LASD records

- Century Regional Detention Facility (CRDF)
- Mira Loma Detention Center (Federal facility administered by Los Angeles County Sheriff's Department)

Of the 15,600 inmates held at the County jails, approximately 9,000 individuals are prescribed medication on a regular basis. Approximately 16% of all inmates are diagnosed as mentally ill and are prescribed psychotropic medications for their respective illnesses.<sup>2</sup>

The Los Angeles County Sheriff's Department currently operates three "stand alone" pharmacies within the County. These pharmacies are licensed independently by the State Board of Pharmacy for the State of California. The locations of these pharmacies are at TT, MCJ and CRDF. The LASD plans to open a licensed pharmacy at Pitchess Detention Center in Castaic in the near future. This new pharmacy will serve as a dispensing pharmacy for the inmates at the four units located on the grounds at Pitchess Detention Center. Currently, all prescribed medications for inmates at Pitchess are dispensed from the TT Pharmacy and delivered by the LASD using a Sheriff's van.

Although the Mira Loma Detention Center is administered by LASD, the pharmacy services are contracted by the Federal Government.

Medications for inmates are separated into three separate categories:

- Medications that do not require a prescription by the doctor but are requested by the inmate, e.g., Tylenol or aspirin
- Medication prescribed by the doctor and administered on a singular dose basis by LASD personnel, e.g., antibiotics
- Medication prescribed by the doctor, dispensed in weekly or monthly dosages and given to the inmate directly for self-medicating based on the level of inmate competency and trustworthiness, e.g., blood pressure medications

## **METHODOLOGY**

The CGJ visited the following Los Angeles County Sheriff's Department pharmacies presently in operation as licensed pharmacies by the State of California, and their staff:

- Twin Towers Correctional Facility Pharmacy (Main Pharmacy)
- Century Regional Detention Facility Pharmacy
- Men's Central Jail Pharmacy
- Twin Towers medical administrative staff
- Twin Towers chief pharmacist
- Various pharmacists and pharmacy technicians at each of the facilities visited

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<sup>2</sup> Source: LASD pharmacy staff

In addition to the visits made, the CGJ obtained information online as well as from its survey of other large counties in California regarding budgetary information for incarcerated inmates within other counties' jail systems. The CGJ received statistics and information about the pharmacy budgets and inmate populations from the following counties in the State of California:

- Orange County
- San Bernardino County
- Riverside County
- Santa Clara County
- San Diego County
- San Francisco County

## DISCUSSION

The CGJ determined that the areas of investigation into Medications for Inmates should center on the following:

- Cost of medications within LAC jails
- Comparative cost of medications between LAC and other selected counties in the State of California
- Acquisition of medication procedures and use of the current inventory practices
- Current staffing of pharmacists, technicians and other personnel at TT, MCJ, and CRDF
- Use of automated dispensing of medications
- Transmittal of medication orders
- Manual verification by pharmacists of medications dispensed from the automatic prescription machines for accuracy labeling

The LASD pharmacy personnel classify prescription drugs into various categories for statistical information. The following charts define and clarify these categories as well as the dollars spent and percentages of the yearly budget sampled for the last nine years. The LASD's total budget for inmate medications in 2011-2012 is \$17,206,347.<sup>3</sup>

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<sup>3</sup> Source: County of Los Angeles FY 2011-2012 Recommended Budget Volume One, p. 56.6

**Proton Pump Inhibitors** - Drugs that reduce the production of acid by blocking the enzyme in the wall of the stomach that produces acid. This reduction of acid prevents ulcers and allows any ulcers that exist in the esophagus, stomach, and duodenum to heal.

Year	Expenditures <sup>4</sup>	% of Budget
2002-2003	\$ 165,793	2%
2003-2004	\$ 741,638	8%
2004-2005	\$ 743,080	7%
2005-2006	\$1,169,124	9%
2006-2007	\$1,285,387	9%
2007-2008	\$ 540,801	4%
2008-2009	\$ 247,276	2%
2009-2010	\$ 117,067	1%
2010-2011	\$ 60,859	0.4%

**Anti-Retroviral Drugs** - Medications for the treatment of infection by retroviruses, primarily Human Immunodeficiency Virus (HIV). These drugs are usually taken in combination with 3-4 other anti-viral drugs.

Year	Expenditures	% of Budget
2002-2003	\$1,856,614	19%
2003-2004	\$1,593,879	17%
2004-2005	\$2,032,103	19%
2005-2006	\$2,516,013	20%
2006-2007	\$2,840,442	19%
2007-2008	\$3,240,252	21%
2008-2009	\$3,610,012	23%
2009-2010	\$3,855,639	24%
2010-2011	\$3,756,687	24%

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<sup>4</sup> Source: LASD pharmacy staff

**Anti-Infective Drugs** - Drugs that act against infection by inhibiting the spread of an infectious agent or by killing the infectious agent outright.

Year	Expenditures	% of Budget
2002-2003	\$1,038,886	10%
2003-2004	\$ 874,023	9%
2004-2005	\$1,010,817	9%
2005-2006	\$1,283,663	10%
2006-2007	\$1,647,037	11%
2007-2008	\$1,194,000	8%
2008-2009	\$1,056,707	7%
2009-2010	\$1,113,111	7%
2010-2011	\$ 992,377	6%

**Mental Health Drugs** - Medications that are used to treat the symptoms of mental disorders such as schizophrenia, depression, bi-polar and anxiety disorders, and Attention Deficit Hyperactivity Disorder. Other treatments include psychotherapy.

Year	Expenditures	% of Budget
2002-2003	\$5,995,910	38%
2003-2004	\$6,079,002	39%
2004-2005	\$5,987,855	38%
2005-2006	\$5,267,188	35%
2006-2007	\$4,573,390	30%
2007-2008	\$4,443,741	35%
2008-2009	\$4,217,709	38%
2009-2010	\$3,752,777	36%
2010-2011	\$3,847,667	38%

**Miscellaneous Drugs** - Includes insulin, cholesterol-lowering agents, diuretics, and blood pressure medications.

Year	Expenditures	% of Budget
2002-2003	\$1,195,673	31%
2003-2004	\$1,262,404	27%
2004-2005	\$1,166,617	25%
2005-2006	\$1,709,744	26%
2006-2007	\$2,529,550	36%
2007-2008	\$2,911,796	35%
2008-2009	\$2,965,560	30%
2009-2010	\$3,647,174	32%
2010-2011	\$3,619,169	31.6%

The 2011-2012 CGJ investigated the budget for medications for inmates within LAC at the eight major jails within the County. In addition, the CGJ gathered statistical information from six other counties in the State of California, using written and telephone surveys. This information is shown in the following chart:

County	2011-2012 Budget	Average Daily Population	Average Cost / Inmate / Day
Riverside	\$ 750,000	5,696	\$0.36
Santa Clara	\$ 1,075,863	3,677	\$0.80
San Bernardino	\$ 2,000,000	5,800	\$0.95
San Diego	\$ 2,830,833	4,623	\$1.70
Orange	\$ 3,798,769	5,171	\$2.00
<b>Los Angeles</b>	<b>\$17,206,347</b>	<b>15,600</b>	<b>\$3.00</b>
San Francisco	\$ 2,100,000	1,700	\$3.40

## FINDINGS

1. The CGJ found that the per-inmate cost of medications at LASD was higher than the surveyed counties in all but one county.
2. The procurement of medications is through a contract provider (drug wholesaler) via the Electronic Countywide Accounting Purchasing System (ECAPS). ECAPS does not provide the capability for use of a perpetual inventory system. A perpetual inventory is an ongoing count of medications, on hand, at any particular point in time. Control drugs are inventoried on a perpetual system called the C-2 PYXIS System.
3. The total LASD pharmacy services staff was 119 people at the time of inspection. This includes:
  - 1 chief pharmacist
  - 2 pharmacy supervisors
  - 1 procurement pharmacist
  - 51 general pharmacists
  - 60 pharmacy technicians
  - 2 pharmacy helpers
  - 2 typist clerks
4. The configurations of personnel at the three licensed pharmacies were:
  - Twin Towers: 1 pharmacy supervisor, 2 pharmacists, 2 pharmacy technicians, 1 pharmacy helper per shift
  - Men's Central Jail: 1 pharmacy supervisor, 2 pharmacists, 2 pharmacy technicians, 1 pharmacy helper per shift
  - CRDF: 1 pharmacy supervisor, 2 pharmacists, 2 pharmacy technicians, 1 pharmacy helper per shift
5. LASD pharmacies use the AutoMed System manufactured by Amersource-Bergen Company. 57% percent of all prescriptions dispensed by the LASD pharmacies are via automation.
6. The transmittal of medication orders was performed electronically.
7. Verification of medications dispensed from the C-2PYXIS system was done by pharmacists and recorded manually.
8. The pharmacies at MCJ and CRDF have limited space for the storage and dispensing of all items necessary to provide medications for inmates.

## RECOMMENDATIONS

1. **The Los Angeles County Sheriff's Department** should provide a system similar to the C-2 PYXIS system for maintaining a perpetual inventory system for all medications supplied to the Los Angeles County Sheriff's Department Pharmacies.
2. **The Los Angeles County Sheriff's Department** pharmacy personnel should reduce the daily costs of medications prescribed by doctors for inmate needs through the increased use of generic drugs as they become available.
3. **The Los Angeles County Sheriff's Department** pharmacy personnel should increase the use of automated dispensing of medications via the AutoMed System to a staff-recommended level of 75% of all medications to provide better control and accuracy of dispensed medications.
4. **The Los Angeles County Sheriff's Department** pharmacy should use an automated system for monitoring and recording all medications dispensed via the AutoMed System.
5. **The Los Angeles County Sheriff's Department** should provide additional space to maintain adequate working areas for the pharmacy personnel and storage of all medications at Men's Central Jail and Century Regional Detention Facility.
6. **The Los Angeles County Sheriff's Department** should continue its plans to open a State-licensed pharmacy at Pitchess Detention Center within the next fiscal year.

## REQUIRED RESPONSES

Recommendations	Responding Agencies
1, 2, 3, 4, 5, 6,	Los Angeles County Sheriff's Department

## ACRONYMS

<b>CGJ</b>	Los Angeles Civil Grand Jury
<b>CRDF</b>	Century Regional Detention Facility
<b>ECAPS</b>	Electronic Countywide Accounting Purchasing System
<b>HIV</b>	Human Immunodeficiency Virus
<b>LAC</b>	Los Angeles County
<b>LASD</b>	Los Angeles County Sheriff's Department
<b>MCJ</b>	Men's Central Jail
<b>TT</b>	Twin Towers Correctional Facility

# SOCIAL ISSUES





# **AGING-OUT OF THE FOSTER CARE SYSTEM**

## **Transitional Age Youth (TAY)**



### **COMMITTEE MEMBERS**

**Diana S. Lee - Chair**  
**Bill Bertrand**  
**Elizabeth B. Calvert**  
**Jocelyn Keene**



# AGING-OUT OF THE FOSTER CARE SYSTEM

## Transitional Age Youth (TAY)

### INTRODUCTION

According to the Department of Children and Family Services (DCFS), in 2010-2011, there were approximately 2,400 youth between the ages of 16-18 in the Los Angeles County foster care system under the direction of DCFS. Youth, on average, transition out of foster care at the age of 18.<sup>1</sup> "Transitional Age Youth" (TAY) is the term used to identify these foster children. These youth are at great risk for failure in society as they have historically experienced difficulties in successfully adjusting to adulthood. Proper, efficient, and effective life skills training, in a reasonable timeframe, are essential for TAYs prior to leaving the foster care system. Procedures and a robust support structure need to be established to ensure that TAYs are adequately prepared for leaving the system.

This 2011-2012 Los Angeles County Civil Grand Jury (CGJ) investigation focused on two specific areas of concern for TAYs: **communication** and **transportation**. There are many challenges facing TAYs as they transition to adulthood, and it is the hope of the CGJ that its efforts result in a more successful transition, so that failure and homelessness do not continue to be a predictable outcome for foster children. All TAYs are at risk.

### BACKGROUND

A 2011 report from the Children's Advocacy Institute at the University of San Diego states that former foster children have surpassed war veterans as the single largest population in California's homeless shelters.<sup>2</sup>

Statistics from a Select Committee of the California State legislature show, "70% of all state prison inmates were formerly part of the foster care system... and [there was] an unemployment rate of 51% within two to four years after emancipation." This was addressed in a prior CGJ report that investigated the failure in the County to adequately address the needs and issues of young people involved in one or more agencies designed specifically to help them.<sup>3</sup>

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<sup>1</sup> [http://www.issuelab.org/research/california\\_permanency\\_for\\_youth\\_project\\_2008\\_project\\_evaluation](http://www.issuelab.org/research/california_permanency_for_youth_project_2008_project_evaluation)  
<http://www.aspiranetthplus.org/ab12-benefits-aging-out-of-foster-care/>

<sup>2</sup> <http://californiafostercarenews.blogspot.com/2011/04/former-foster-children-have-overtaken.html>

<sup>3</sup> See "Helping Probation and Foster Care Youth Prepare for Adulthood and Independence" in the 2007-2008 Los Angeles County Civil Grand Jury Final Report

Supervisor Michael D. Antonovich's opinion strengthens our resolve to ensure continued support services for TAYs: "*Sending 18-year-old foster children, with a history of abuse and no family ties, into adulthood without the support and training they need to live productive, healthy and stable lives is government-sanctioned child abuse.*"<sup>4</sup>

Foster youth who age out of foster care are susceptible to elevated rates of homelessness, poor educational outcomes, low wages, unemployment, health issues, and incarceration, according to the Midwest Evaluation of the Adult Functioning of Former Foster Youth Study. An article published in The National Resource and Training Center on Homelessness states that people in the United States who are homeless have high rates of the following background characteristics:<sup>5</sup>

- 23% are veterans (compared to 13% of the general population)
- 25% were physically or sexually abused as children
- 27% were in foster care or institutions as children
- 21% were homeless as children
- 54% were incarcerated at some point of their lives

## METHODOLOGY

The CGJ interviewed personnel at the Department of Consumer Affairs (DCA), DCFS, and the Los Angeles County Board of Supervisors to obtain pertinent information regarding preparations for TAYs prior to transitioning out of foster care to adulthood. The CGJ also researched information from previous Civil Grand Jury reports, and social services organizations and department reports provided online to determine specific actions and recommendations that had been made.

## DISCUSSION

The primary goal of DCFS is to ensure that children under its supervision are physically and emotionally safe. However, there appears to be a significant disconnect when youth exit the care of DCFS, as they are often unable to make a successful self-sufficient transition to adulthood. There is a compelling need for TAYs to be given an adequate, immediate, and efficient support system prior to leaving foster care. Many resources are available to TAYs.<sup>6</sup> However, sometimes TAYs fail to take advantage of these resources due to poor communication between supporting agencies and themselves. Transportation issues are also of great concern and often plague youth aging out of foster care.

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<sup>4</sup> Quote per Supervisor Michael D. Antonovich emailed to CGJ on 3/14/12 by his deputy, Helen Berberian, with permission to use

<sup>5</sup> <http://homeless.samhsa.gov/resource/view.aspx?id=32511>

Burt, M.R., Aron, L.Y., Douglas, T., Valente, J., Lee, E., Iwen, B. (1999) Homelessness: Programs and the People They Serve. Washington, DC: Interagency Council on the Homeless

<sup>6</sup> See "Helping Probation and Foster Care Youth Prepare for Adulthood and Independence" in the 2007-2008 Los Angeles County CGJ Final Report, and "Transition Age Youth (TAY) Journey" in the 2010-2011 Los Angeles County CGJ Final Report

The DCA handles numerous consumer issues, and has held consumer education workshops for TAYs at group homes and probation facilities prior to their leaving the foster care system. These pilot education workshops were held in an effort to assist TAYs to be more successful and self-sufficient in transitioning to adulthood. The workshops should be expanded to teach foster youth and their care providers (such as social workers, probation officers, group home staff, and foster parents) how to identify, prevent and resolve top consumer issues such as identity theft, landlord/tenant disputes, car purchasing difficulties, education scams, and credit/finance problems.

In addition, the communication process could be improved as DCA does not currently provide a hotline dedicated to TAYs. The CGJ discussed this with high level staff at the DCA. DCA agreed that they could add an additional response number specifically for TAYs, if given the resources.

The DCA also has a large number of volunteers and agreed that soliciting senior citizens, a particular population that has not been previously solicited to volunteer, would greatly support and benefit these young adults with consumer issues.

The 2011-2012 CGJ felt that it is imperative that DCFS partner with DCA as mentioned in "Implementing the Countywide Youth Self-Sufficiency Action Plan," a document from the Chief Executive Office dated October 25, 2011.<sup>7</sup> Of specific interest to the CGJ, were the following action plans "C8" and "L2" as stated in the report:

C8 - Develop a local system of accountability and compliance to ensure that high-quality Transitional Independent Living Plans (TILPs) and 90-day Transition Plans are completed, in a timely manner, that address the self-sufficiency outcomes for foster and probation youth exiting the system.

L2- Develop a procedure with DCFS and Probation to identify TAYs that could benefit from attending DCA consumer presentations specifically tailored for TAYs on issues such as landlord/tenant issues, identity theft, credit car purchases, contracts and other consumer issues.

From the same report as above, the following was stated regarding No-Cost EZ Transit Passes for TAYs:

As a result of the work of the self-sufficiency workgroup, Mayor Antonovich introduced a motion on August 4, 2011 to the Metropolitan Transit Authority (MTA) Board of Directors to develop a pilot program that would provide no-cost EZ Transit passes, valid on all municipal and rail systems, to former DCFS and probation youth transitioning out of the County's system. This motion was unanimously adopted by the MTA Board, and the MTA and self-sufficiency workgroup have begun working on designing the program components. This program targeted to begin July 1, 2012, would issue Transit Access Pass cards with photo identification to Independent Living Program eligible DCFS and probation youth, ages 18-21, over a 12-month period. A comprehensive analysis

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<sup>7</sup> See web address: [http://file.lacounty.gov/bc/q4\\_2011/cms1\\_167970.pdf](http://file.lacounty.gov/bc/q4_2011/cms1_167970.pdf)

would be conducted to track the self-sufficiency outcomes achieved through this program.

Attached as Exhibit 1 is the "Emancipation Resource Directory" that is provided for TAYs by the DCFS Youth Development Services Division, Independent Living Program. This directory includes telephone numbers of utility companies, cable companies, medical assistance, public assistance, banking, and other information that assists TAYs with adjusting to adulthood. This Directory needs to be reorganized in a more user-friendly manner for TAYs and be bound for easier access and use. The directory should list the contact information for the DCA as one of the first contacts in the directory, if not the first.

## **FINDINGS**

The 2011-2012 CGJ found that, although there are numerous resources available for TAYs, there is a persistent communication failure. There is a need to expand the youth self-sufficiency partnership between DCFS/Probation and DCA to provide more consumer information and training to foster youth.

In our investigation the CGJ discovered the following:

### **Communication**

1. DCA does not have a dedicated hotline and webpage to make DCA services more accessible to foster youth. These resources could assist youth in filing a consumer complaint, speaking directly with DCA staff, and scheduling one-on-one consumer counseling. In discussion with high-level staff at the DCA, they agreed that there was a cost-effective solution to this issue that would be targeted specifically to the TAY population, if the Board of Supervisors provided the necessary funding.
2. DCA has held pilot consumer education workshops for TAYs at group homes and probation facilities. These presentations were given to TAYs to assist them in transitioning to adulthood outside of the foster care system and be more self-sufficient. Expanded workshops could teach foster youth and their care providers (such as social workers, probation officers, group home staff, and foster parents) how to identify, prevent and resolve top consumer issues such as identity theft, landlord/tenant disputes, car purchasing difficulties, education scams, and credit/finance problems.
3. DCA agreed that since their staff had a larger population of volunteers (approximately 75) than actual salaried employees (approximately 50), and that they could solicit additional volunteers, specifically targeting the senior citizen population. This is a population of citizens that has not specifically been targeted in the past. Volunteers not only answer phones and assist individuals with consumer issues, but also accompany individuals when they are pursuing such things as housing and transportation needs. This would be of great service to TAYs who for the most part have no previous experience with renting of housing, purchasing a form of transportation, banking, or applying for a job.

4. DCA could provide internships in which TAYs can gain first-hand experience in helping consumers resolve financial scams, and learn about how to protect themselves and their friends from consumer fraud. Unpaid internships could be made immediately available. If additional funding were identified, paid internships could also be developed.
5. DCFS Youth Development Services Division, Independent Living Program has developed an "Emancipation Resource Directory" that is given to the TAYs when they leave the foster care system. The directory is in dire need of reorganization. This Directory, although it contains excellent information, is not user-friendly and lacks proper organization of the material. Also, the CGJ felt that the contact information to DCA should be listed as one of the first contacts in the directory.

### **Transportation**

6. MTA has agreed with the action plan made by the Los Angeles County Board of Supervisors to provide "no-cost EZ Transit Passes" on all municipal and rail systems to DCFS and probation youth transitioning out of the county systems, for youth ages 18-21 for a 12 month period.

## RECOMMENDATIONS

The CGJ recommends:

1. **The Department of Consumer Affairs** establish a dedicated hotline and webpage for TAYs.
2. **The Department of Consumer Affairs** continue and expand their consumer education workshops for youth preparing to exit the foster care system (ages 16-18), at group homes, probation facilities, and designated locations per DCFS requirements for TAYs prior to their leaving foster care and probation. These consumer education workshops should address specific consumer issues facing TAYs as they prepare for adulthood to help them identify, prevent and resolve consumer issues, such as landlord/tenant disputes, car purchasing difficulties, education scams, credit/finance problems, and identity theft.
3. **The Department of Consumer Affairs** actively solicit volunteers, including those from the senior citizen population, to assist TAYs with consumer issues during their transition to adulthood, and also have volunteers accompany TAYs when they are seeking things such as transportation needs, renting of housing, banking, and applying for a job.
4. **The Department of Consumer Affairs** provide unpaid internships for TAYs so they could gain first-hand experience in helping consumers resolve financial scams, and learn about how to protect themselves and their friends from consumer fraud. **DCA** consider establishing paid internships with a stipend.
5. **The Department of Children and Family Services Youth Development Services Division, Independent Living Program** reorganize the Emancipation Resource Directory to a more user-friendly document with the contact information for DCA listed as one of the first contacts in the directory, and that physical copies be bound for easy access and use by TAYs.
6. **The Metropolitan Transit Authority Board of Directors** follow through with their commitment slated to begin 7/1/12, to provide "no-cost EZ Transit Passes" on all municipal and rail systems to DCFS and probation youth transitioning out of the county systems, for youth ages 18-21, for longer than a 12 month period, and on a continuing basis until the youth reaches his or her 22<sup>nd</sup> birthday.

**REQUIRED RESPONSES**

<b>Recommendations</b>	<b>Responding Agencies</b>
1, 2, 3, 4	DCA
5	DCFS Youth Development Services Division, Independent Living Program
6	Metropolitan Transit Authority Board of Directors

**ACRONYMS**

<b>CGJ</b>	Civil Grand Jury
<b>DCA</b>	Department of Consumer Affairs
<b>DCFS</b>	Department of Children and Family Services
<b>TAY</b>	Transitional Age Youth
<b>TILP</b>	Transitional Independent Living Plan

## EXHIBIT 1 – EMANCIPATION RESOURCE DIRECTORY

### UTILITIES

THE GAS COMPANY – [WWW.SOCALGAS.COM](http://WWW.SOCALGAS.COM)

#### Call Center 1-800-427-2200

Call 800-427-2200 (Residential Customers)

Call 800-427-2000 (Commercial & Industrial Customers)

Call 800-772-5050 for Interactive Voice Response Self Service Option (in English & Spanish)

Call 800-342-4545 for information in Spanish (Residential Customers)

Call 800-427-6029 for information in Spanish (Commercial & Industrial Customers)

#### Southern California Edison – [www.sce.com](http://www.sce.com)

Account Balance	1-800-950-2356
Authorized Payment Agencies	1-800-747-8908
Billing Questions	1-800-684-8123
Hearing and Speech Impaired Line (TDD)	1-800-352-8580
Low Income Rate Assistance	1-800-447-6620
Multicultural Services	.
Cambodian	1-800-843-1309
Chinese	1-800-843-8343
Korean	1-800-628-3061
Spanish	1-800-441-2233
Vietnamese	1-800-327-3031
Payments, Extensions or Payment Options	1-800-950-2356
Rates or other Service Related Questions	1-800-655-4555

#### Los Angeles Department of Water and Power – [www.ladwp.com](http://www.ladwp.com)

Local Calls

1-818-342-5397

Toll Free

1-800-DIAL-DWP

(1-800-342-5397)

TTY

1-800-HEAR-DWP

(1-800-432-7397)

Commercial Customers

(1-800-499-8840)

**SBC Pacific Bell - [www.SBC.com](http://www.SBC.com)**

Hours of Operation Weekdays from 7 AM to 9 PM and Saturday from 8 am to 5 PM  
Service Center 1-800-310-2355  
Disconnect or Transfer Service 1-800-310-2355

**MCI THE NEIGHBORHOOD – [WWW.THENEIGHBORHOOD.COM](http://WWW.THENEIGHBORHOOD.COM)**

Local Customer Service  
1-888-MCI-LOCAL  
(1-888-624-5622)

**VERIZON Local Phone Service [www.verzion.com](http://www.verzion.com)**

Customer service – Billing 800-483-3000  
Monday - Friday 8:00am - 6:00pm

**Comcast [www.comcast.com](http://www.comcast.com)**

Cable Customer Service - 888-255-5789  
High-Speed Internet Customer Service: 866-447-7333

**Time Warner Cable – [www.timewarner.com](http://www.timewarner.com)**

Customer Support  
24 Hours A Day / 7 Days A Week!  
- Canyon Country  
(661) 252-2318  
- Orange County  
(714) 903-4000  
- South Bay  
(310) 974-1337  
- South Pasadena/ San Marino  
(626) 441-4559  
- Stevenson Ranch  
(661) 255-2155  
- West San Fernando Valley  
(818) 700-6500

**JOB ASSISTANCE**

Emancipated Youth Job Services - Phil Stripling – (213) 351-0129  
California Employment Development Department [www.edd.ca.gov](http://www.edd.ca.gov)  
**(See Attachment)**

One Stop Centers (800) 292-7200

## **MEDICAL ASSISTANCE/COUNTY HOSPITALS**

Los Angeles County+USC Medical Center -  
1200 N. State St., Los Angeles 90033  
Phone (323) 226-2622

General Hospital -  
1200 N. State St., Los Angeles 90033  
Phone (323) 226-2622

Harbor-UCLA Medical Center -  
1000 W. Carson St., Torrance 90509  
Phone (310) 222-2345

Martin Luther King, Jr.-Drew Medical Center -  
12021 Wilmington Ave., Los Angeles 90059  
Phone (310) 668-4321

Olive View/UCLA Medical Center -  
14445 Olive View Dr., Sylmar 91342  
Phone (818) 364-1555

## **PUBLIC ASSISTANCE**

Provides financial, employment and health-related assistance to residents of Los Angeles County. Programs and services include:

California Work Opportunity and Responsibility to Kids (CalWORKs); which provides temporary financial assistance, as well as employment services to families with children; Cal-Learn, a CalWORKs program for pregnant and parenting teens; and General Relief (GR), which provides temporary assistance and work opportunities to indigent adults. DPSS programs also include Food Stamps, Medi-Cal, Cash Assistance Program for Immigrants (CAPI), and In-Home Supportive Services (IHSS).

12860 Crossroads Pkwy. South, City of Industry 91746  
Phone (562) 908-8400  
Phone (562) 908-8454 - Public Information  
TTY: (562) 908-6650  
Internet home page: <http://www.ladpss.org>

DPSS:

Public Help Line (877) 481-1044  
TDD (for hearing impaired) (562) 908-6650  
Child Care Hotline (877) CHILD-99  
Health & Nutrition Hotline (877) 597-4777

Time Limited Program Hotline (800) 746-1176  
 Toy Loan and Volunteer Services (213) 744-4344

Los Angeles Homeless Services Authority [www.lahsa.org](http://www.lahsa.org)

### **RENTERS INFORMATION**

Whenever you rent an apartment, you should sign either a rental agreement or a lease, which is a contract that sets the conditions for renting the apartment for a specific period. Or the landlord may rent the apartment to you on a month-to-month basis. (Even with a month-to-month rental, however, your landlord must give you certain advance notice if he or she plans to raise your rent or ask you to move out.)

[www.renters.com](http://www.renters.com)  
[www.westsiderentals.com](http://www.westsiderentals.com)  
[www.craigslist.com](http://www.craigslist.com)

### **CREDIT INFORMATION**

A credit report is a summary of your debts and a history of how promptly you have paid your bills. The information comes from the companies where you have credit accounts and from public court records. It is collected and stored by companies, often called credit bureaus, which make the information available to creditors whenever you apply for a loan or credit card or make a purchase on time payments.

Under a new federal law, you have the right to one free credit report every 12 months from each of the three major credit-reporting agencies. Check your reports for inaccurate data that could hurt your ability to get credit or a loan. Also, incorrect information can be a red flag that someone is using your identity to get credit without your knowledge.

One main fact about debt is that it follows you. Credit card debt can ruin your credit rating and damage your chances to make purchases like buying that new car after graduation. In fact, if you miss a payment by just 30 days, you tarnish your credit rating for the next seven years *after* you pay it off! And, if you haven't made a payment in three months, your account can be turned over to a collection agency. This also stays on your credit record for seven years *after* you finally pay it off.

**Keeping your credit clean:** [www.accountingnet.com](http://www.accountingnet.com)

Credit Reports: TransUnion (800) 888-4213: [www.transunion.com](http://www.transunion.com)  
 Equifax (800) 685-1111: [www.equifax.com](http://www.equifax.com)  
 Experian (888) 397-3742: [www.experian.com](http://www.experian.com)

## **Banking**

Most people manage their money through checking and savings accounts at banks. Banking can be very confusing, even to people who have been on their own for a long time. You do not have to have a checking account or a savings account, but they do help you to organize your money and pay bills. They also provide a safe place for any extra money you might have. Check on the fees that banks and saving and loans charge for checking and savings accounts.

### **Information you need to open a checking or saving account:**

- Your full name
- Your address and phone number
- Your driver's license or ID
- Date and place of birth
- Mother's full maiden name
- Social security Number
- Beneficiary (this is a person who is to receive any existing funds in your account in the event of your death)

## **Federal and State Taxes**

If you work in this country and make a certain amount of money you have to pay taxes. Tax laws change each year, but basically, you must pay three different types of taxes – federal, state and social security. It is your responsibility to keep informed about taxes. You can get information on tax laws at the library, a post office, or by calling the state tax office or the federal government's tax office the Internal Revenue Service or "IRS." There is IRS office in almost every town, unless it is a very small town.

### **W4 and W2 Forms:**

The W4 is an official tax document you fill out when you get a job. The W4 authorizes your employer to deduct a certain amount of money from your paycheck for federal taxes. This is called "withholding" and is something all employers must do by law. Your employer can help you if you don't understand how to complete this form.

## **Budgeting Tips**

Keep it simple. Don't detail your plan to the penny. Keep track to the nearest dollar or even the nearest five dollars. This works only if you set your "breaking points" and stick to it. For example, if you prefer to keep track to the nearest dollar, set \$.50 as your "breaking point." If the amount to be recorded is \$21.49, you drop the cents and write down 21 dollars. But, if the amount is \$21.50, you write 22 dollars in your records. Such a system keeps some of the drudgery out of record keeping.

Be realistic. Consider all expenses, including vacations, spending money, alcohol, tobacco and hobbies. To build in a margin of safety in your plan, overestimate your expenses and underestimate your income.

Keep trying until you find a system that works for you.

Provide for personal allowances for everyone in your plan. Then, give each person total control of his or her allowance. By providing everyone with an allowance, no matter how small, you are giving everyone money to "blow" when the urge comes.

Don't try to use someone else's budget and expect it to work for you. When you see a budget in the newspaper or magazine, realize it is for a particular situation or for an "average" or "typical" family. We have to tailor-make a spending plan to fit us.

Distinguish between wants and needs. Buy what you need first. The wants belong in the "what's left over" category.

Borrow with care. Remember that you create a fixed expense each time you charge something or pay "on time."

Plan for and develop an emergency fund.

## **TRANSPORTATION**

Los Angeles County Metropolitan Transit Authority [www.mta.net](http://www.mta.net)  
1-(800) Commute

## **Car Insurance**

If you are a student, your parent may be able to continue to carry you on their car insurance until you are 24 (if your parents are co-owners of your car). Otherwise, you will have to get your own insurance. Also, when you buy a car, you will receive the California Certificate of title, commonly known as the "pick slip." It is a very important document, which contains detailed information about the car and provides proof of ownership. When a car changes ownership, the seller is required to sign this certificate and to have it recorded within 10 days by the DMV to finalize the transfer and discharge the seller from any further responsibilities connected with that particular vehicle.

## **Life Skills**

The Community College Foundation: [www.cccf.org](http://www.cccf.org)  
TCCF is the foundation, through a contract with the Emancipation program, that develops, organizes and presents for probation and foster youth age 14 and older, the Independent Living Program (ILP) classes, financial aid workshops, and the Early State to Emancipation Program (ESTEP). The Foundation also assists in the training of foster parents and other human service workers. For further information, Contact your ILP Transition Coordinator or Call The Community foundation at. (213) 427-6910.

(See Attachment)

## **GENERAL INFORMATION**

**Grocery Shopping Tips** [www.about.com/cs/grocerysavings/a/groceryshoptips.htm](http://www.about.com/cs/grocerysavings/a/groceryshoptips.htm)  
Los Angeles County Public Library [www.colapublib.org](http://www.colapublib.org)  
Passports [www.travel.state.gov](http://www.travel.state.gov)  
Immigration [www.uscitizenship.info/index.htm](http://www.uscitizenship.info/index.htm)

**Social Security Administration** [www.socialsecurity.gov](http://www.socialsecurity.gov)  
To obtain a social security cards or apply for disability call:  
1-800-772-1213  
TTY 1-800-325-0778

**Department of Motor Vehicles** [www.dmv.ca.gov](http://www.dmv.ca.gov)  
1 (800) 921-1117

To apply for an original driver license if you are over 18, you will need to do the following:

- Visit a DMV office (make an appointment for faster service)
- Complete application form DL 44 (An original DL 44 form must be submitted. Copies will not be accepted.)
- Give a thumb print
- Have your picture taken
- Provide your social security number. It will be verified with the Social Security Administration while you are in the office.
- Verify your birth date and legal presence
- Provide your true full name
- Pay the \$25 application fee (the application fee for a commercial driver license is \$57)
- Pass a vision exam
- Pass a traffic laws and sign test. There are 36 questions on the test. You have three chances to pass. (Sample Test)

# **DCFS AND CHILD DEATH MITIGATION IN LOS ANGELES COUNTY**



## **COMMITTEE MEMBERS**

**Eunice Carr – Chair  
Delora Brown  
Sharon S. Burgess  
Bobbi Miller  
Karen Stracka  
Margaret Yzaguirre**



# DCFS AND CHILD DEATH MITIGATION IN LOS ANGELES COUNTY

## EXECUTIVE SUMMARY

The 2011–2012 Los Angeles County Civil Grand Jury (CGJ) undertook an innovative approach in this investigation and formed a Child Death Mitigation Task Force of 23 representatives from 10 local government agencies to meet and explore solutions. The outcome of these meetings, coupled with input from interviewees, focus groups, research, and statistical analyses, indicated that the solutions involve multiple arenas. These priorities provide the organizational framework for this report and include:

1. **Strategic directions** – The County should promote a children’s rights charter, emphasizing child safety as paramount. The Los Angeles County Board of Supervisors (BOS) should direct the Chief Executive Officer (CEO) and Director of the Department of Children and Family Services (DCFS) to establish County-wide objectives in its County-wide Strategic Plan to mitigate child deaths and that the involved departments collaborate with DCFS to tackle this problem.
2. **Policies and procedures** – DCFS should refine its risk assessment instrument, simplify its policies so they are easier to follow, and put child safety before reunification. Enhanced procedures for handling child death scenes and reducing the number of “Undetermined” child deaths or open DCFS cases are also needed.
3. **Programs and services** – DCFS should establish a 23-hour assessment center, similar to Orangewood in Orange County, CA, and explore other innovative programs to address neo-natal risk assessments, parental training, and mental health services for high-risk families. DCFS should embark on more aggressive public education and media campaigns that can reduce the risk of child endangerment and deaths.
4. **Information, technology, and processes** – DCFS is handicapped by its own systems as well as the State’s mandated data systems. It cannot readily track data and use data to make empirically based decisions. The County should approach the State to resolve these technological deficiencies. Simultaneously, DCFS should improve the tools that its field personnel need to perform their duties. DCFS administrative and contract monitoring processes can also be streamlined and enhanced.
5. **Organizational changes** – Under its new Director, DCFS should build a flatter organization that can improve accountability and lines of communication. DCFS staff members will also be productive by building a better work culture and delivering stronger training programs.

## INTRODUCTION

Approximately 350 children die suspiciously<sup>1</sup> in Los Angeles County each year. Of the child fatalities, approximately 46% of their deaths involved children with a prior DCFS history. Within the County of Los Angeles, the Department of Children & Family Services (DCFS) receives approximately 150,000 referrals each year regarding potential child abuse; between 19% and 23% of these referrals were substantiated between 2008 and 2011.

This investigation examined ways to reduce the number of children who die while under the auspices of DCFS. In conducting this investigation, it became clear that DCFS alone cannot mitigate child deaths. This CGJ report acknowledges that it will take the broader community of local, State, and Federal agencies; outside organizations; and individuals working together to tackle this critical societal tragedy.

## BACKGROUND

### DCFS Overview

As the public child welfare agency for Los Angeles County, DCFS provides a wide range of services, including emergency response, family maintenance, family reunification, permanent placement, concurrent planning, and adoption services.

DCFS assumes responsibility for the County's child protective services. DCFS is vested with the responsibility of investigating allegations of in-home child abuse, neglect, abandonment, exploitation, and caretaker incapacity. In addition, it provides services to children and families within the system.

The Children's Social Worker (CSW) investigates abuse and neglect allegations, determining whether a child should be detained from his or her parents or guardians, and whether a petition alleging that the child comes within the jurisdiction of the dependency court should be filed. DCFS works toward reunification of the child with the family whenever possible. When reunification is not an option, DCFS also works toward a child's permanency by providing adoption and other services.

The DCFS Child Protection Hotline (CPHL) answers calls reporting suspected child abuse, neglect, and exploitation 24 hours per day, 7 days per week. The CPHL currently takes more than 145,000 referrals each year. When a call comes into the CPHL, staff members use a standardized tool in the Structured Decision Making®<sup>2</sup> (SDM®) pro-

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<sup>1</sup> Deaths that meet the criteria established in California Government Code – Section 27491.

<sup>2</sup> In 1999, the State of California decided to make SDM® a required tool for child welfare agencies statewide, and SDM® has since been implemented in several counties, including Los Angeles.

gram to evaluate all calls to determine service needs for children and their families. There are three possible ratings:

- **Expedited Response** requires an in-person initial response<sup>3</sup> to the referral, which must be initiated by a CSW as soon as possible, but no later than two hours after receiving the referral.
- **Immediate Response** requires the assigned CSWs to initiate their in-person responses to the referrals as soon as possible, but no later than the end of the shift in which the CSWs received the referrals. The CSWs cannot complete their assigned shifts until the responses to the immediate referrals are initiated.
- **Five-Day Referral** requires an in-person response to the referral within five business days or by date specified.

**Evaluate Out** indicates that the referral does not require further DCFS action at the time of the call. CPHL personnel also provide child abuse and neglect consultation, information, and referral services at the same phone number.

After assessment, appropriate reports are forwarded to one of the 19 regional protective services offices throughout the County or to law enforcement authorities for further investigation. Emergent calls received outside of normal business hours are referred to the Emergency Response Command Post (ERCP) for immediate response. The responding CSWs approach the referred families to undertake the SDM® safety and risk analyses.

The regional service offices and the ERCP are each managed by a Regional Manager (RM) and one to five Assistant Regional Administrators (ARAs) who directly oversee Supervising Children's Social Workers (SCSW). SCSWs each supervise a number of CSWs. It is the CSWs who carry out referral investigations.

## Types of Referrals

Table 1 displays, by allegation type, the number of referrals that came into CPHL and the number of those that were substantiated during the four-year period from 2008 to 2011.

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<sup>3</sup> An initial response is completed when the CSW (including the Emergency Response Command Post (ERCP)) has face-to-face contact with all of the children in the family and all available parent(s) or guardian(s).

**Table 1. Total Referred and Substantiated by Allegation Type**

(January 1, 2008, to September 30, 2011)

Allegation Type	2008		2009		2010		2011	
	Referral	Substantiated	Referral	Substantiated	Referral	Substantiated	Referral	Substantiated
General Neglect	46,586	10,080	42,040	11,293	47,368	13,983	45,805	13,397
Emotional Abuse	14,940	4,493	15,846	5,183	19,165	6,422	20,310	6,322
At-Risk, Sibling Abused	34,517	3,311	34,667	3,998	38,297	4,649	35,871	3,846
Physical Abuse	29,496	3,032	26,592	3,306	28,882	3,982	28,071	3,325
Sexual Abuse	9,940	2,093	9,002	1,939	10,415	2,237	9,787	1,748
Caretaker Absence/ Incapacity	4,659	2,028	3,224	1,799	3,238	1,888	2,835	1,669
Severe Neglect	1,562	522	1,599	689	2,027	732	2,258	764
Exploitation	57	10	92	20	65	14	72	17
Substantial Risk	9,960	3,516	4,502	2,424	n.a.	n.a.	n.a.	n.a.
<b>Total</b>	<b>151,717</b>	<b>29,085</b>	<b>137,564</b>	<b>30,651</b>	<b>149,457</b>	<b>33,907</b>	<b>145,009</b>	<b>31,088</b>
<b>Percentage Substantiated</b>		<b>19%</b>		<b>22%</b>		<b>23%</b>		<b>21%</b>

Source: Child Fatality data summary from DCFS CWS/CMS database as of February 2012

- Of the number of children referred, between 19% and 23% of the referrals were substantiated between 2008 and 2011.
- The majority of the substantiated allegations involve general neglect, followed by emotional abuse; abuse of a sibling, putting other sibling(s) at risk; and physical abuse.

### Child Fatalities

Table 2 displays the number of child death fatalities, by final mode of death as determined by the Coroner, during the four-year period from 2008 to 2011.

**Table 2. Final Mode of Death for Children With and Without Prior DCFS History**

(2008 to 2011)

Final Mode of Death	2008			2009			2010			2011		
	Prior DCFS History	No Prior DCFS History	Total	Prior DCFS History	No Prior DCFS History	Total	Prior DCFS History	No Prior DCFS History	Total	Prior DCFS History	No Prior DCFS History	Total
Homicide	62	33	95	56	17	73	51	25	76	21	19	40
Accidental	32	34	66	29	26	55	28	53	81	28	44	72
Natural	13	17	30	17	9	26	26	25	51	12	29	41
Suicide	12	2	14	5	5	10	8	8	16	10	9	19
Undetermined	36	55	91	45	36	81	45	73	118	25	43	68
Pending Coroner's Report	0	72	72	1	106	107	2	3	5	44	42	86
Not a Coroner Case	23	10	33	15	5	20	16	10	26	25	6	31
<b>Total</b>	<b>178</b>	<b>223</b>	<b>401</b>	<b>168</b>	<b>204</b>	<b>372</b>	<b>176</b>	<b>197</b>	<b>373</b>	<b>165</b>	<b>192</b>	<b>357</b>
<b>Percent of Total</b>	<b>44%</b>	<b>56%</b>		<b>45%</b>	<b>55%</b>		<b>47%</b>	<b>53%</b>		<b>46%</b>	<b>54%</b>	

Source: Child Fatality data summary from DCFS CWS/CMS database as of March 30, 2012

- Overall, 46% of the deaths involved children with a prior DCFS history.
- In terms of homicides, 53% to 77% of the deaths involved children with a prior DCFS history. The number of homicides for all children declined by 47% in 2011 versus 2010.
- Most of the suicides involve teenagers and young adults.

According to the Coroner, a death is “Undetermined” when there is either insufficient or conflicting information that affects the Coroner’s ability to make a determination of the mode of death. Furthermore, the Coroner may categorize the mode of a child’s death as Undetermined as a signal to law enforcement that the case warrants more in-depth investigation to try to answer existing questions surrounding the death.

According to the DCFS furnished data in Table 2, the percent of Undetermined cases dropped dramatically from 32% in 2010 to 15% in 2011, after hovering around 22% to 23% in 2008 and 2009.<sup>4</sup>

DCFS data in Table 2 regarding cases “Pending a Coroner’s Report” appear to have peaks and valleys; for example, there were 107 cases reported for 2009 and only 5 cases for 2010.

### Child Fatalities, By Age Range and DCFS History

Table 3 displays the number of child death fatalities, by age, during the four-year period from 2008 to 2011.

**Table 3. Age Range of Child Fatalities With and Without Prior DCFS History**  
(2008 to 2011)

Age Range	2008			2009			2010			2011		
	Prior DCFS History	No Prior DCFS History	Total	Prior DCFS History	No Prior DCFS History	Total	Prior DCFS History	No Prior DCFS History	Total	Prior DCFS History	No Prior DCFS History	Total
Prenatal	9	23	32	9	15	24	13	16	29	22	28	50
Infants (0-1)	58	106	164	57	96	153	47	86	133	59	77	136
Children (2-11)	39	42	81	34	40	74	43	42	85	23	32	55
Teens (12-17)	71	52	123	66	53	119	71	53	124	59	55	114
Young Adults (18-21)	1	0	1	2	0	2	2	0	2	1	0	1
<b>Total</b>	<b>178</b>	<b>223</b>	<b>401</b>	<b>168</b>	<b>204</b>	<b>372</b>	<b>176</b>	<b>197</b>	<b>373</b>	<b>164</b>	<b>192</b>	<b>356</b>
<b>Percent of Total</b>	<b>44%</b>	<b>56%</b>		<b>45%</b>	<b>55%</b>		<b>47%</b>	<b>53%</b>		<b>46%</b>	<b>54%</b>	

Source: Child Fatality data summary from DCFS CWS/CMS database as of February 2012

<sup>4</sup> When Inter-Agency Council on Child Abuse and Neglect (ICAN) analyzed the data over a period of 15 years, the trend for Undetermined deaths had risen steadily, which ICAN partially attributed to the change in classification of deaths associated with Sudden Infant Death Syndrome (SIDS) as a natural mode of death to Sudden Unexplained Infant Death Syndrome (SUIDS) as an Undetermined mode of death. Source: Undetermined child deaths data summary from ICAN database (1996-2010).

- Children are at greatest risk in the first year of life: More than one-third of the child fatalities occurred among infants (ages 0-1) – 41% in 2008 and 2009; 35% in 2010; and 38% in 2011. Typical reasons for death in this age group include physical abuse, co-sleeping, unsafe cribs, and shaken baby syndrome.
- Teenagers (ages 12-17) represent another vulnerable group: This group represents between 31% and 33% of the child fatalities for 2008 through 2011. Typical reasons for death in this age group include drive-by shootings, motor vehicle accidents, and suicide.
- Drowning and motor vehicle accidents (passenger and pedestrian fatalities) are typical causes of death for children in the pre-school and middle years.

### Child Placement at Time of Fatalities

Table 4 displays all fatalities of children with a DCFS history; however, data for 2011 is only available for the first three quarters of the calendar year.

**Table 4. Fatalities of Children with DCFS History and Location of Child at Time of Death**  
(2008 to 2011)

Location	Cause of Death							Grand Total
	Accidental	Homicide	Natural	Suicide	Undetermined	*Not a Coroner Case	*Pending	
In-Home	113	177	58	33	135	62	42	<b>620</b>
Out-of-Home Care	4	12	10	2	14	16	5	<b>63</b>
Emancipated Child		1						<b>1</b>
Long-Term Care Facility					2	1		<b>3</b>
<b>Total</b>	<b>117</b>	<b>190</b>	<b>68</b>	<b>35</b>	<b>151</b>	<b>79</b>	<b>47</b>	<b>687</b>

Source: Child Fatality data summary from DCFS CWS/CMS database as of March 30, 2012.

- 90.1% (n=585) of the fatalities occurred in children's own homes.
  - A greater percent of these 585 fatalities were accidental (19%), homicide (30%), and suicide (5%) deaths versus those in out-of-home care.
- 8.5% (n=55) of the fatalities occurred in out-of-home care.
  - A greater percent of these 55 fatalities were natural deaths (18%) versus those in in-home care.
  - Of the 11 out-of-home care fatalities, 5 were caused by abuse or neglect of the caregiver; 6 died at the hands of someone else (e.g., gang members or drive-by shootings).
- A high percent remain Undetermined (n=149) – 22% of in-home and 25% of out-of-home care.

## Complexity and Widespread Involvement

DCFS and many other agencies, partners, and community organizations are involved in helping to mitigate child deaths. The term “community” takes on a variety of distinctions:

- **The Community at large** is every individual or group in the County of Los Angeles who has or can, directly or indirectly, help reduce the number of child deaths.
- **The Community of Providers** consists of those agencies, organizations, and individuals who provide services and support regarding child death mitigation. “Providers” have been categorized into:
  - **Internal Partners** are current or potential partners within the Los Angeles County and City families.
  - **External Partners** are partners outside of Los Angeles County and City government.

Some of the involved agencies, partners, and community organizations are:

### Internal Partners

#### **County of Los Angeles**

County Council  
 Department of Coroner  
 Department of Mental Health (DMH)  
 Department of Public Health (DPH), including Service Planning Area (SPA) Health Care Centers  
 District Attorney  
 County Chiefs (represent all police departments in Los Angeles County)  
 Department of Public Social Services (DPSS)  
 Inter-agency Council on Child Abuse and Neglect (ICAN)  
 Internal Services Department (ISD)  
 Probation Department (Probation)  
 Public Defender  
 Sheriff’s Department (LASD)

#### **City of Los Angeles**

City Attorney  
 Department of Recreation and Parks  
 Fire Department (LAFD)  
 Police Department (LAPD)  
 Department of Cultural Affairs  
 Public Library (LAPL)

### External Partners

**State and Federal government** and policy-makers, Department of Justice (DOJ)

**Advocacy groups** (i.e., First 5 LA, Court Appointed Special Advocate Association (CASA), Find the Children, National Children’s Advocacy Center)

**A local community** (i.e., a community in Los Angeles County with specific boundaries based on geography, cultural or faith-based affiliation, or other social ties)

**Educational Institutions** (i.e., day care and preschool, K-12, higher education, research institutions; public and private)

**Health-based organizations** (i.e., private physicians, public and private hospitals, Women, Infants and Children (WIC))

**Faith-based organizations**

**Community-based organizations** (i.e., Los Angeles Community Child Abuse Councils, neighborhood councils, culture-specific organizations)

**Businesses**

**Media**

## METHODOLOGY

This investigation comprised 7 major tasks:

1. **Entrance Conference.** An Entrance Conference was held for County representatives to introduce them to the investigation and provide information about that audit's focus and approach. Representatives attending were from DCFS, Department of Mental Health (DMH), Department of Public Health (DPH), Inter-Agency Council on Child Abuse and Neglect (ICAN), County Counsel, and the Board of Supervisors (BOS) Deputies.
2. **Interviews.** More than 25 interviews were conducted with County leadership to identify potential problems and issues with representatives from the:
  - County of Los Angeles, Board of Supervisors (BOS)
  - County of Los Angeles, County Executive Office (CEO)
  - County of Los Angeles, Department of Children and Family Services (DCFS), including two regional offices
  - County of Los Angeles, Department of Mental Health (DMH)
  - County of Los Angeles, Department of Public Health (DPH)
  - County of Los Angeles, Department of the Coroner
  - District Attorney's Office
  - Inter-Agency Council on Child Abuse and Neglect (ICAN)
  - County of Los Angeles, Office of County Counsel
3. **Document Review.** Many interviewees also assisted with the collection of statistical data and other pertinent information. A document review was conducted of Federal, state, and local publications to identify issues and potential recommendations. A bibliography is included as Appendix A.
4. **CGJ Child Death Mitigation Task Force.** Within the parameters of the CGJ's authority, a "Child Death Mitigation Task Force" (Task Force) was convened to examine child deaths and mitigation strategies. A series of five Task Force meetings were held to:
  - Explore and analyze collected data
  - Identify child death mitigation priorities
  - Develop child death mitigation recommendations

Task Force participants included 23 representatives from the:

- County of Los Angeles, Department of Children and Family Services (DCFS)
- County of Los Angeles, Department of Mental Health (DMH)
- County of Los Angeles, Department of Public Health (DPH)
- District Attorney's Office
- Harbor-UCLA Medical Center

- Inter-Agency Council on Child Abuse and Neglect (ICAN)
- County of Los Angeles, Department of Coroner
- Los Angeles City Attorney’s Office
- County of Los Angeles, Sheriff’s Department – Special Victims Bureau
- Los Angeles Police Department (LAPD), Juvenile Division – Abused Child Section

The Task Force selected the following priorities, which were explored during work sessions with the CGJ:

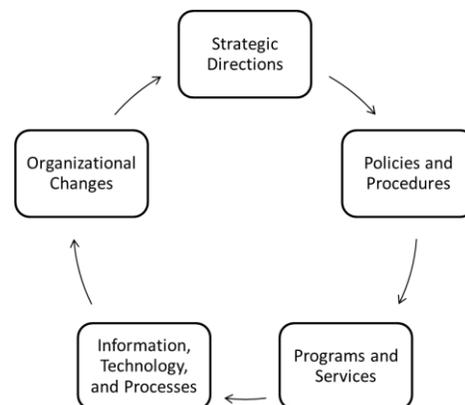
- **“It Takes a Community.”** “It takes a community” to protect children. DCFS cannot effectively address child death mitigation alone and should improve collaboration and communication with its sister agencies.
  - **Child Safety First.** Child “safety” considerations are more important than DCFS’s priority to maintain or reunify families.
  - **Data, Information, and Metrics.** The involved County departments need to put more focus on the quality of data and data systems, increasing the sharing of data, and the appropriate application of data.
  - **DCFS Policy Reform.** DCFS policies require simplification and reform.
  - **Focus on DCFS Staff.** DCFS needs to focus more on its front-line staff, including improvements to: staff selection and supervision; staff training and support; internal communications; and technology tools used by staff.
5. **DCFS Focus Groups.** To ensure the CGJ had an inclusive top-down/bottom-up perspective on the issues, two focus groups were held with DCFS social workers who have been involved in cases that resulted in children’s deaths. These focus groups provided valuable “front-line” perspectives on current issues and strategies for child death mitigation. Among the front-line staff members<sup>5</sup> were a total of 47 DCFS CSWs and SCSWs, including union representatives. County Counsel also participated in the focus groups.
  6. **Fact and Data Verification.** Throughout the investigation, a number of meetings were convened with senior DCFS officials to ensure that data were obtained to support the findings and recommendations and that the recommendations were likely to be effective in the mitigation of child deaths.
  7. **Exit Conference.** An Exit Conference was held to discuss the findings and recommendations. The Exit Conference included representatives who attended the Entrance Conference and were joined by Task Force members. Their feedback has been incorporated into the Final Report.

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<sup>5</sup> The term “front-line” staff member refers to any DCFS employees who interface with the clients or their families, including CSWs, SCSWs, or CPHL staff.

## FINDINGS

The diagram indicates areas that need to be addressed – some DCFS can resolve – but many require the involvement of other collaborators from within County government, other governmental jurisdictions, and the greater community.



The summarized findings are categorized under these headings. The Findings outline major issues, provide explanatory comments, or elaborate on specific areas of concern raised during interviews, focus groups, and CGJ Death Mitigation Task Force meetings.

### 1. Strategic Directions

**Too much emphasis on DCFS as the sole solution.** The County has not launched a coordinated effort across County departments to mitigate child deaths in a strategic way with system-wide, collaborative solutions. ***Blaming DCFS for child deaths is, in most cases, inappropriate.*** The responsibility for the death, particularly in the case of abuse or neglect, belongs to the perpetrator.

During this investigation, various participants stated: ***“DCFS cannot do it alone.”*** In fact, DCFS is not alone. There are a multitude of agencies, organizations, and individuals, internal and external to the County, which exist to nurture and protect children in a variety of ways.<sup>6</sup> In addition, there are a number of untapped sources of potential support. The missing link is sufficient collaboration among these stakeholders.

**Lack of a County child death mitigation strategy or agreed-to, coordinated approach across departments.** The County lacks a strategy around how to mitigate child deaths across County departments. The emphasis on families in the current plan does not address this issue. Moreover, County departments have not developed an integrated approach for working with at-risk families and children. Senior staff and front-line staff indicated that the tendency is to work in “silos”, both internal to DCFS and across departments, which results in poor communication and collaboration.

**Antiquated child protection legislation.** Some law enforcement officials expressed their concern to the CGJ that the development of child protection legislation is lagging.

- A common comment was that legislation addressing child protection is 20 years behind legislation addressing domestic violence.
- Psychological, emotional, or verbal abuse, neglect, and failure of children to thrive are not sufficiently defined and the question of whether, what, and how to criminalize them is even more unclear.

<sup>6</sup> See list provided on page 7 of this report.

**Mandated reporting.** Various stakeholders – pediatricians and other physicians, sworn officers, therapists, educators, day care operators, clergy, and others who work with children – are mandated to report any signs of child abuse to County authorities. With ICAN’s involvement, the mandated reporting between law enforcement and DCFS is better today, particularly involving domestic violence and emotional abuse, than it has been in the past.

Although DCFS provides some training for mandated reporters, senior staff members indicate that mandated reporting is still under-used; for example:

- There are variable rates of reporting by various mandated reporting classes.
- There have been only a few prosecutions for non-reporting.
- There are insufficient standardized mandated reporting definitions and training.

Complicating the situation further, various licensing agencies and certification boards are responsible for training their members in the responsibilities of being mandated reporters. The multiplicity of agencies involved leads to inconsistencies in the monitoring and enforcement of such reporting.

**Inadequate coverage of family support services in some regions.** Already limited funding has been further cut during the economic downturn. Front-line staff members indicate that there are not sufficient support services available in many communities to help stabilize families. The services are deficient in both availability and quality. As a result, children in these under-served areas face increased risk.

**Impact of Katie A. Settlement Agreement<sup>7</sup>.** In September 2011, the class-action suit, *Katie A. v. Bontà* (referred to as “Katie A. Settlement”) resulted in an agreement that the system will provide intensive home- and community-based mental health services for California children in foster care or at risk of removal from their families. Under the Settlement, California will provide two types of mental health services, “Intensive Home-Based Services” and “Intensive Care Coordination,” available to certain children under Medicaid. The State will also determine what parts of “Therapeutic Foster Care” services are covered under Medicaid and provide that service to certain class members.

Some focus group participants expressed concern about whether the large scale of the Los Angeles County mental health system, which includes over 9,400 individual mental health providers, will allow for the provision of sufficiently flexible and organizationally efficient mechanisms to meet certain of the goals of the Katie A. settlement in all regions within the County.

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<sup>7</sup> County of Los Angeles’ Settlement Agreement for the Katie A., et al., vs. Diana Bontà, et al., (State of California and County of Los Angeles) lawsuit. The five plaintiff foster children requested, in lieu of payment, that “the County and State” improve on their delivery of services to all children and young adults under the custody of DCFS, and/or those at risk of entering the child welfare system.

## 2. Policies and Procedures

**Improved risk assessment instrument.** Senior DCFS staff pointed out that the SDM® instrument needs to be updated. Some of the questions need refinement to assess safety and risk more accurately.

**Numerous DCFS policies.** DCFS estimates that it has 402 policies. Both management and staff indicated that because of this large number of policies, poor organization of policies, and conflicts among policies, it was impossible to “know”, remember, or find clear answers to policy questions. Policies that are not known, effectively do not exist.

**Child safety is paramount.** There is a growing concern by many, who are internal and external to DCFS, that the pendulum has swung too far in terms of family maintenance and family reunification. Some fear that parents’ rights over-ride child safety in too many cases. A recent State Auditor report on DCFS identified nearly 900 children in homes of relatives that DCFS later determined to be unsafe or inappropriate.<sup>8,9</sup> As a result, at the margin, children are not being taken into the system when their safety might be at too high a risk.

**Mode of death analysis.** Determination of the mode of death in a child death case can be problematic; 23% of the child deaths were categorized as Undetermined by the Coroner for 2008 through 2011.

- The Coroner has moved more cases into the Undetermined category as a signal to law enforcement and other agencies that additional evidence is needed to take the case out of the Undetermined category.
- The cause of death of an infant or young child is often difficult to determine without accurate death scene information and family histories.
- Some death scenes are not being preserved and appropriately addressed by key officials, contributing to the difficulty of determining causes of death:
  - It is reported that paramedics often intervene and disturb a death scene when it is clear the child is dead.
  - Some law enforcement personnel may not be appropriately trained to manage a child death scene.
  - DCFS CSWs are not trained on how to manage a death scene.

**Guidelines for open cases.** DCFS has received a temporary waiver from the State that allows for 60 days to resolve a case versus the normal State requirement of 30

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<sup>8</sup> “Oversight of child victims is criticized” by Garrett Therolf, Los Angeles Times, March 30, 2012, page AA6.

<sup>9</sup> DCFS had checked the families and homes for criminal and child abuse records and had conducted home visits but did not always complete a detailed home study. It took DCFS an average of 43 days to remove these children from the placements or reassess and approve the homes.

days. Staff reported many cases are left open and the backlog is continuing to build. The recent State Auditor report indicated that 9,300 child abuse investigations in Los Angeles County were open beyond the State's 30-day deadline.<sup>10</sup>

**Although improving, more collaboration and cross-reporting among DCFS, DMH, and law enforcement agencies is needed.** There are practical differences and a lack of collaboration among DCFS, law enforcement, and Department of Justice (DOJ) that result in difficult-to-manage expectations and undesired outcomes.

- DCFS takes a strength-based approach to risk and family maintenance while law enforcement agencies take an evidence-based approach.
- Cross-reporting between DCFS and law enforcement agencies is inconsistent.
- DCFS CSWs with an open case sometimes fail to cross-report new abuse allegations to law enforcement agencies.
- Mental health (including verbal, emotional, or psychological abuse) and domestic violence calls are not commonly reported to DCFS. Such calls, when coupled with the presence of children, are potential high-risk situations for children. (Note: DCFS and DMH have begun work in this area. DCFS and DMH's Emergency Response Field-based Services (ERP-FRO) are piloting a joint response protocol in which CSWs respond with the PMRT to assess the child's risk for hospitalization jointly.)

**Follow-up of jurisdiction terminated cases.** There is little systematic follow up of cases when jurisdiction has been terminated by DCFS to assess effectiveness of the DCFS's intervention with the family. The CGJ recognizes that DCFS lacks legal authority once jurisdiction is terminated and family participation in any follow-up survey would have to be voluntary.

**Effective evidence to the courts.** Front-line staff members commented that, in a number of cases, the courts were not accepting DCFS's recommendations. They raised concerns about their ability to provide County Counsel with sufficiently sound evidence to support their recommendations.

### 3. Programs and Services

**Need for better assessments.** Los Angeles County has seven Medical Hub Clinics (Hubs) that provide a variety of services to DCFS children: initial medical examinations, mental health screenings, follow-up medical care for some children with identified or complex medical needs, and forensic evaluations. Los Angeles County Department of

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<sup>10</sup> "Oversight of child victims is criticized" by Garrett Therolf, Los Angeles Times, March 30, 2012, page AA1.

Health Services (DHS) operates six of the Hubs<sup>11</sup>; the seventh Hub is at Children's Hospital Los Angeles.

CSWs collaborate with Public Health Nurses assigned to assist with health care case management of children to determine the need for Hub assessments, but all Hub referrals in child abuse and neglect cases go through DCFS. All children newly placed in foster care are referred to Medical Hubs for initial medical examinations. Additional referrals may result when:

- A report to the CPHL initiates an Emergency Response investigation and the investigating CSW refers a child to a Hub for forensic evaluation.
- A health care provider contacts DCFS with new critical information.

DCFS contracts with Hubs to assist CSWs to assess children for abuse, but the Hubs do not provide advice on the placement of children. Senior and front-line staff members identified Orangewood Center in Orange County, California, as a good model for inter-agency collaboration and for providing family resources, completing child assessments, and placing children.

**Need for a more effective reunification process.** The reunification process is often a traumatic experience for both the child and family. A high quality transition process can often make the difference between a successful and unsuccessful outcome for the child and the family.

**Greater attention to high risk neo-natal situations.** Many newborn situations, particularly those involving teen mothers, drug addiction, or domestic violence, are extremely high risk. Education about effective parenting and critical family support is often lacking.

**Insufficient focus on child death prevention.** DCFS public outreach regarding safe sleeping practices, water safety, pedestrian and motor vehicle safety, and other child safety messages are limited. The County now has a Safe Sleeping Task Force working on educational and awareness programs.

**Improved suicide prevention services.** The Child and Adolescent Suicide Review Team (CASRT) has identified a need for improved transitional care for adolescents and training to address the mental health needs of at-risk children and their families.

- The CASRT has reviewed a number of cases in which adolescents failed to receive sufficient support when they transitioned from in-patient treatment programs back to home and school. The lack of ongoing support during this difficult transition period was seen as a factor that contributed to the eventual suicide of the youth involved.

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<sup>11</sup> Harbor-UCLA Medical Center, High Desert Multi-Service Ambulatory Care Center (MACC), LAC+USC Medical Center (open 24/7), Martin Luther King, Jr. MACC, Olive View-UCLA Medical Center, and East San Gabriel Valley Satellite to LAC+USC Hub (at former Maclaren Children's Center in El Monte).

- Mental Health and medical professionals serving DCFS clients are in need of additional training to recognize and respond to the suicidal risk of children and adolescents in treatment.

**Poor media image and limited public education.** DCFS has a poor media image.

- Media-bashing of DCFS increases the negative perception of DCFS, negatively affecting internal morale and encouraging a risk-averse culture. These impacts affect productivity and indirectly increase the backlog of cases.
- DCFS does not take advantage of the reach of traditional media and new media to provide child safety messages to the public, as already cited.

#### 4. Information, Technology, and Processes

**Insufficient data-sharing and inaccurate information, coupled with inadequate DCFS technology.** The County of Los Angeles and DCFS depend on data made available through a variety of information technology (IT) systems that staff members report are inaccurate, inaccessible, incomplete, or out-of-date.

All child protective agencies in the State of California are required to use the State's Child Welfare Services Case Management System (CWS/CMS). DCFS cannot make changes or improvements to the CWS/CMS and, thus, can only urge the State to make any changes. This limitation is also true of other systems which DCFS must rely on but does not control, such as the California Law Enforcement Telecommunications System (CLETS).<sup>12</sup>

Specific concerns involved:

- Easy and timely access to performance statistics and management reports that could be generated from CWS/CMS
- The accuracy of CLETS
- Timeliness of the County's new Family and Children's Index (FCI), a statutorily defined system that is not within DCFS's control to a large degree
- Access to data by the lack of tools, particularly in the field
- Lack of a standardized tracking process involving severe injuries or endangered situations
- Lack of DOJ online access to case data, similar to the access granted to SCSWs and CSWs

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<sup>12</sup> Refers to 70-561.10, Live Scan and California Law Enforcement Telecommunications System (CLETS) Clearances; DCFS has agreed to process Live-Scan fingerprints for relative/non-relative extended family member caregivers of Probation minors. <http://www.lacdcfs.org>

**Time-consuming administrative tasks.** Senior and front-line staff members indicate that considerable time is spent on addressing DCFS administrative requirements and voluminous policies, rather than working effectively with clients.

- Emergency Response Referrals are only funded up to 30 days. The State has given an extension of 60 days, but it will revert back to 30 days on June 30, 2013.
- Staff members reported they spend an excessive amount of time documenting cases (case narratives). The condensed Investigative Narratives were fully implemented in August 2011, but DCFS staff members in the focus groups were not aware of this change.
- CSWs report that they do not have enough time with children and their families. Some reported one visit per month when they feel once per week is a more appropriate minimum.

**Inconsistent management processes.** Staff members reported much variation in administrative, management, and system processes from region to region. They characterized the differences as: “each regional administrator does his/her own thing.”

**Child placement process.** The placement process, which can occur any time during a 24-hour cycle, currently requires administrative staff to phone facilities to see if they are willing and able to take a child. This effort is often a time-consuming and frustrating process. There is an allegation that some placement facilities, despite having capacity, refuse to take infants or children with special-needs.

**Availability and quality of licensed care providers.** The licensing and review of care facilities is a State responsibility. Senior and front-line staff members reported that:

- The State cutbacks have reduced the monitoring of these facilities.
- It has become increasingly difficult to place children, particularly young children or children with physical or behavioral problems, even though the care facilities indicate they have openings.
- The placement system needs to be improved, including regular vetting and monitoring of foster families and group homes.
- There is a lack of capacity or willingness to take babies and or children with special needs.
- It is reported that SCSWs and CSWs may not always apply the continuum of care model when determining the appropriate placements for children and opt more frequently for Foster Family Agency (FFA) placements – the most costly placements designed for children with more complex diagnoses and needs.
- DCFS is concerned that licensed foster parents are not adequately trained.

## 5. Organizational Effectiveness

**County organizational silos.** Currently DCFS and many of its internal and external partners essentially operate in silos and interact predominantly in reactive circumstances – intervention and post-mortem reviews. This unsystematic approach is inefficient, wasting resources, compounding work, and limiting positive and holistic outcomes.

**Lack of continuity in organizational leadership.** Senior and front-line staff members indicate that the lack of management continuity at DCFS contributes to uncertainty, negative inertia on strategic priorities, and poor continuity in case management.

- There have been 15 DCFS Directors in 25 years.
- There are high levels of turnover, reassignment, and burnout.
- A strategic planning process has been underway for years, but is still not operational.

**Work culture.** Front-line staff members perceive a disconnect between the DCFS front-line and executive leadership, ARAs, and BOS. Staff reported that a climate of fear and highly bureaucratic processes are affecting productivity and morale and driving staff to be risk averse and defensive. Other comments include:

- DCFS has a risk-averse culture with a lack of urgency, follow-through, accountability, or evidence-based decision-making.
- DCFS administration is more adversarial than supportive.
- Overly bureaucratic requirements seem to cause many supervisors and ARAs to be risk-averse, which ties up sign-off requirements, delays decisions, and reduces productivity.
- The DCFS Executive Team and the BOS have unrealistic expectations and a lack of understanding of the uncertainties and difficulties of casework.

**Caseload, workload, and expectations.** Front-line staff members indicate that:

- They are overwhelmed by current caseload levels.
- There is little guidance for referral or caseload management or prioritization.
- The cases are more complicated today with increased drug-related and mental-health issues.
- Families are more aware of their rights and use them to obstruct access and assessment.
- They spend up to 75% of their time fulfilling administrative requirements, which severely limit the time available to visit families.
- Some feel overwhelmed by unrealistic, inconsistent, and ever-evolving expectations.

- CSWs disagreed and were confused regarding the merits, need for, and role of specialized programs at DCFS, particularly since CSWs assigned to specialized divisions do not carry caseloads. Some CSWs perceive that this situation exacerbated their already high caseloads.

**CPHL referrals and entry.** Front-line staff members are concerned about the handling of CPHL referrals.

- The DCFS CPHL generates a high number of referrals that are unmerited.
- Referrals are a reactive process.
- Relatively inexperienced staff members operate the DCFS CPHL and have to make quick determinations on how to rate a call.
- CSWs are sometimes unable to gain entry and undertake the complex assessments required by many referrals because:
  - Contention at entry is increasing because more families are aware of their legal rights and options.
  - Assessments are contentious when drugs, domestic violence, abuse, and particularly sexual abuse is alleged.
  - Mental instability or behavioral problems require special knowledge, skills, and experience.

**Support in the event of child fatality cases.** Front-line staff members indicate that DCFS does not provide sufficient support to CSWs involved in child fatality cases. They also report that they are not involved in the subsequent reviews of these cases, thus losing valuable learning opportunities. ICAN's Peer Support Team Program (PST) might be a good model to build on.

**Internal communications.** Front-line staff members indicate inadequate internal communication and training regarding processes and outcomes, which then contribute to a risk-averse and reactive culture.

- There is poor communication within DCFS and with other involved departments.
- Communication skills and tools are deficient at all levels of the organization.

**Front-line and supervisory skill training.** Front-line staff members indicate that skill preparation at DCFS is deficient in terms of quality, quantity, and access. Staff members at all DCFS levels questioned:

- Whether academic programs adequately prepare social workers for work at DCFS.
- Whether the hiring criteria are sufficiently high for the skills, knowledge, and experience required to accomplish effective social work at DCFS

- Whether DCFS was ensuring that the Inter-University Consortium is designing programs that meet DCFS's needs, particularly regarding education and training of first-line supervisors

There was a sense that the Training Academy was getting better, but overall there was neither enough training, nor sufficient depth, nor realism regarding the situations front-line staff members face.

The experience criterion for supervisors has been lowered from five (5) to three (3) years. Supervisors were described as lacking key communication and mentoring skills and being unable or unwilling to provide the support needed in difficult cases.

**Staff performance.** Front-line staff members are concerned about the lack of well-qualified candidates and under-performing personnel at DCFS.

- Core business performance criteria are not defined and measured.
- Performance seems to be measured by how well forms are filled out and not on real results.
- Onerous Civil Service rules make it almost impossible to terminate underperforming or otherwise deficient employees.
- A number of staff members are unqualified or do not carry their full workload.
- Some staff members abuse disability and Worker's Compensation provisions, two areas requiring effective supervision.
- DCFS staffing levels, personnel distribution, and spans of control are problematic.

**Lack of consistency.** DCFS has a lack of consistency across regions. Line and management staff commented that processes and performance vary from region to region, indicating: "Every regional director does their own thing." Some local variation is probably a good thing to deal with the unique conditions of the region, but it is inappropriate for service levels and quality to vary dramatically from one part of the County to another.

## RECOMMENDATIONS

### 1. Strategic Directions

**Recommendation 1.1. It takes a community.** The Director of DCFS should incorporate in the new departmental strategic plan the philosophy that: "It takes a community to mitigate the number of child deaths."

DCFS must look both inside and outside of the organization to identify, coordinate, and collaborate with its sister agencies and community partners to build an effective child protection system. The Task Force was particularly supportive of more effective collaboration, building on the DMH model of "It Takes a Community" to mitigate the number of child deaths in Los Angeles County.

Most child deaths are, directly or indirectly, the result of ignorance or poor parenting that is often rooted in drug addiction, mental instability, and domestic violence. Reducing the numbers of deaths will take a coordinated effort by:

- The Los Angeles County departments and agencies involved with children
- Police departments in other jurisdictions
- Mandated reporters (e.g., physicians, educators, sworn officers)
- State and Federal legislative and oversight agencies
- Community at large

They will need to:

- Collaborate closely to identify high-risk situations
- Implement effective interventions in these high-risk situations
- Follow up to ensure the interventions are working or make appropriate course corrections

These three priorities seem straight-forward, but they are often complicated because of conflicting protocols, limited communication, and poor coordination of efforts. The following recommendations seek to address these areas through a collaborative approach by applying the conceptual model of ***“It Takes a Community”*** and represent changes that have the best chance cumulatively to result in a reduction of child deaths.

**Recommendation 1.2: Child rights. The BOS, CEO, and the Director of DCFS** should take steps for Los Angeles County to become a national leader in the promotion and perpetuation of children’s rights and adopt and maintain a charter for children’s rights.

DCFS currently has a children’s rights charter specifically for children in its care in the child welfare system, but the County does not have one for all children.

The United States is one of only three countries, including Somalia and South Sudan, which has not joined the international community in supporting the Convention on the Rights of the Child (CRC), an international human rights treaty setting out the civil, political, economic, social, health, and cultural rights of children.

The County of Los Angeles is often known nationwide as a trend-setter and a leader on social issues. Children’s rights should be one of these areas. Although the United States has not adopted the CRC, the County of Los Angeles should reaffirm and promote its own child rights charter as an example for the nation. Children’s rights to a safe and nurturing upbringing should be a societal commitment.

**1.2.1. The Director of DCFS** should ensure the County’s child rights’ charter for children in its care is updated and operational within DCFS.

The updated charter should also include tighter definitions of what constitutes psychological, emotional, or verbal abuse; neglect; and failure to thrive and are

consistent with existing penal code definitions. Once tighter definitions and expectations are developed, the BOS will have the ability to lobby for improved legislation. This updated charter will help clarify DCFS's expectations of staff as they carry out their duties.

**1.2.2.** Although DCFS reports directly to the BOS, the **BOS** should direct the CEO and involved cluster Deputy CEOs to work with DCFS and the other County departments to develop a children's rights charter for the BOS to review, refine, and adopt.

**Recommendation 1.3. A County priority. The BOS should direct the CEO and Director of DCFS** to establish objectives to mitigate child deaths in the County-wide Strategic Plan.

The County has a County-wide Strategic Plan that addresses BOS and CEO high-priority initiatives often requiring collaboration across two or more County departments. The CEO should establish mitigating child deaths as one of the County's priorities in the next County-wide Strategic Plan update and establish and adopt objectives that address the recommendations in this CGJ investigation.

**Recommendation 1.4. Mandated reporting. The Director of DCFS,** working with law enforcement, should provide the BOS with a comprehensive strategy to improve mandated reporting in Los Angeles County.

Rates of mandated reporting by reporting class vary throughout Los Angeles County, suggesting a widespread lack of compliance. There have been few prosecutions for non-reporting. Although the County has no direct control or means to enforce compliance, the County can work with the licensing agencies and certification boards to heighten their awareness and encourage them to:

- Provide more training with remedial training programs on mandated reporting requirements, indicators, and process
- Issue regular updates on issues and communication with mandated reporters
- Share the results of the cases, within the confidentiality requirements, with the mandated reporters to reinforce their involvement and commitment to the protection of children

The County can also approach the State legislature to add new categories of mandated reporters to ensure more high-risk situations are identified.

**Recommendation 1.5. Inadequate family support services in some County regions. The Director of DCFS** should evaluate the variations in resources available to families by region and propose a strategy, for BOS approval, that would ensure underserved areas are brought up to minimum acceptable levels.

The current system requires effective family support if family maintenance and reunification is to be successful. Some local variation is probably a good thing to deal with the

unique conditions of the region, but it is inappropriate for service levels and quality to vary dramatically from one part of the County to another.

**Recommendation 1.6. Implementation of the recommendations of this CGJ investigation.** Under the direction of the BOS, the Office of the CEO should coordinate and monitor the County-wide effort to implement the CGJ recommendations adopted by the BOS and formalize the Child Death Mitigation Task Force.

As indicated earlier, the solutions for mitigating child deaths do not rest solely with DCFS – it takes a community. It will take the concerted efforts of County and non-County agencies to implement these recommendations. The County should continue to work with County employees and their various unions (e.g., SEIU) to focus on the best interests of the children, even if it means amendments to Memoranda of Understanding (MOUs). As a starting point, the County family should work together in this joint effort to mitigate needless child deaths.

The BOS should direct the CEO to ensure that the Deputy CEOs convene at least quarterly meetings of the County department heads in charge of programs involving children and families, such as DCFS, DPH, DMH, Probation, Coroner, Sheriff, District Attorney, Department of Public Social Services, Community & Senior Services, and Los Angeles County Office of Education (LACOE).<sup>13</sup>

These agencies should focus on the coordinated efforts needed to implement the recommendations in this investigation and take into consideration the input from the Child Death Mitigation Task Force.

The CEO and Director of DCFS should ask the Child Death Mitigation Task Force members to continue to meet and support DCFS. Besides the generation of good ideas, the Task Force has built stronger relationships and opened new lines of communication among the agencies. The Child Death Mitigation Task Force should meet at least twice a year to:

- Support and monitor progress made in implementing the CGJ recommendations
- Share their perspectives on child death mitigation strategies
- Develop new ideas, policies, and approaches to mitigate child deaths
- Continue the dialogue to keep the communication lines open and increase understanding and empathy for the various stakeholders
- Provide input as new issues arise and on new corrective actions needed

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<sup>13</sup> Note: These departments are currently in different clusters and report to different Deputy CEOs. DCFS reports directly to the BOS.

## 2. Policies and Procedures

**Recommendation 2.1. Refined decision-making tools.** The Director of DCFS should work with the SDM® vendor<sup>14</sup> to refine the SDM® assessment tools.<sup>15</sup> The CGJ was advised by staff that there are a number of areas that need to be updated and improved to provide more accurate assessments.

**Recommendation 2.2. Policy simplification.** The Director of DCFS should implement a comprehensive review of departmental policies with goals of strengthening, clarifying, simplifying, organizing, and reducing the number of policies. DCFS should provide the following types of information as part of the updated policies:

- User-friendly reference manuals with check lists and indexes to find policy information quickly
- “Roadmaps” that provide a clear way to navigate available resources and how to access those resources
- Contact information for internal and external support for front-line staff

Simplification and clear communication of the policies and their relative priority will help produce more consistent performance across the organization. Removing the uncertainty and confusion will also improve both morale and performance.

**Recommendation 2.3. Child safety before reunification.** The Director of DCFS should clarify for all staff members that the overall goal of the department is the permanent placement of a child in a nurturing, loving home, preferably with the child’s natural family. Child safety is paramount.

Many DCFS staff members, Task Force members, and other stakeholders are concerned that the trend in favor of family maintenance and family reunification may have taken precedence over child safety. Some staff members seem to believe that taking a child into care is seen as contrary to DCFS’s goals. Moreover, the death statistics indicate that children with a DCFS history are at risk when they remain at home, particularly in terms of accidental, homicide, and suicide-related deaths.

The Director of DCFS will need to evaluate, for the BOS, the Department’s ability to provide effective care for the likely additional number of children taken into care as a result of this shift to child safety first and foremost. This likely need for greater placement capacity may require a coordinated campaign to recruit foster care families and families interested in adoption or expediting acceptable adoption, reunification, or guardianship options.

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<sup>14</sup> The SDM® vendor is The Children’s Research Center.

<sup>15</sup> SDM® is used by Los Angeles County and the majority of other Counties in California.

**Recommendation 2.4. Child death scene protocol.** The Coroner, working with law enforcement agencies, should develop a death scene management protocol to be followed by all personnel who are called to child death scenes involving a DCFS child or suspicion of criminality, abuse, etc.

These protocols will need to be compatible with law enforcement's protocols to preserve evidence. To develop the protocol will require the Coroner to work with the Director of DCFS, the Sheriff's Department, police departments, emergency response services, and other appropriate officials.

Scene preservation is a difficult call for paramedics or others if there is a chance to resuscitate the child. Nonetheless, death scene preservation and avoidance of contamination is often critical to effective law enforcement and forensic medicine. Evidence can be compromised and can lead to an Undetermined cause of death or the inability of law enforcement to pursue a successful prosecution. Following a standardized protocol when the child is obviously dead will increase the odds of holding responsible parties accountable. More successful prosecutions should provide an enhanced deterrence.

**Recommendation 2.5. Reduction of the number of Undetermined child deaths.** The Director of DCFS, working in conjunction with the Coroner and law enforcement officers, should undertake a comprehensive review of any child death the Coroner classifies as Undetermined.

Senior officials in the Coroner's office advised that many child deaths are difficult to classify based on post-mortem examinations. In some cases, the Coroner can update the classification if new and relevant information is provided regarding the child, the family, activities leading up to the death, and the death scene. A review of these cases could:

- Provide a learning opportunity resulting in the avoidance of similar outcomes in the future
- Increase accountability in cases where the death is reclassified as a homicide

**Recommendation 2.6. A check list for child death investigations.** The Coroner, working with law enforcement officials and the Director of DCFS, should develop a check list for law enforcement and DCFS staff of unique factors to look for in child death cases.

To address reports that law enforcement officers and DCFS staff members have varying levels of experience and skill in investigating child deaths, a new comprehensive check list could be a first step toward standardization of this important procedure and would provide a valuable training tool that could be improved over time.

**Recommendation 2.7. Guidelines for open DCFS cases.** The Director of DCFS should evaluate current investigative standards and processes to determine improved methods to eliminate current and future backlogs and speed up the process.

The investigation process adds a level of turmoil and uncertainty to families already under stress. There appears to be multiple factors contributing to the delays and backlogs that need to be addressed, such as:

- Stricter requirements and thresholds self-imposed by DCFS
- Demanding and uneven caseloads
- Varying skill-levels of staff to handle the cases assigned
- Substantial and perhaps excessive administrative requirements
- Slow sign-offs by supervisors and management

**Recommendation 2.8. Cross-reporting standards.** The Director of DCFS should develop clear working protocols that include standards for cross-reporting and information-sharing among DCFS, DMH, and law enforcement. These protocols will need to balance:

- Law enforcement's requirements for evidence, intent, motive and measures needed to avoid prejudicing the case
- DCFS's approach to risk assessment and family maintenance

A clearer understanding and respect for all parties' goals should lead to more effective actions and results for all involved.

**Recommendation 2.9. Follow-up review when DCFS jurisdiction is terminated.** The Director of DCFS should develop and implement a follow-up review after jurisdiction is terminated on a case, building on its efforts to date.<sup>16</sup>

A follow-up study would be a valuable learning opportunity analogous to an exit interview used by many organizations when an employee leaves the organization. Once jurisdiction is terminated, DCFS families are likely to be less reticent about telling DCFS what worked and what did not work for them. This type of research is a best practice employed by many public and private sector organizations that can lead to more efficient and effective practices.

Family participation would be voluntary and follow-up reviews might occur at pre-designated intervals – 6-month, 1-year, and 2-year – to be most effective.

**Recommendation 2.10. Monitoring of court rulings and placement decisions contrary to DCFS recommendations.** The Director of DCFS should analyze the adverse decision statistics it maintains in the courts.

It is beyond the scope of this investigation to review the details of these occurrences but, based on the Director's findings, the Director may need to work with County Counsel to address any concerns.

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<sup>16</sup> DCFS Quality Service Reviews are currently being implemented in each DCFS office while a case is open.

DCFS staff members raised concerns about courts over-ruling their recommendations. Therefore, DCFS case workers should continue to work closely with County Counsel to provide the necessary facts and evidence so a sound legal case can be made in support of DCFS's assessment of the best interests of the child.

### 3. Programs and Services

**Recommendation 3.1. A 23-hour assessment center.** The Director of DCFS should evaluate the potential for implementing a 23-hour assessment center for children who are at risk, and seek BOS approval based on the results of that evaluation.

Such assessment centers, similar to Orangewood in Orange County, California, are staffed with skilled professionals, similar to DCFS CSWs, DMH psychiatric social workers, and DPH public health nurses. They can build trust and assess the child in a safe environment, and are more likely to make accurate assessments and appropriate placements if deemed necessary.

This recommendation is similar to one made by the CGJ in 1999-2000. (Note: The intent of this recommendation is not to replicate the McLaren model of the past.) Given the size of the County, DCFS should pilot one 23-hour assessment center and, once fully operational, evaluate its relative effectiveness and determine if additional centers are warranted.

**Recommendation 3.2. Build on DMH's community-based models and successes.** The Director of DCFS should incorporate the following DMH programs and strategies into child death mitigation efforts:

- “Strengthening Families” framework
- The use of “protection factors” as part of the promotion and prevention efforts, combined with the “core practice” model
- “Parents in Partnership” program as a resource for families
- The piloted, community-based program, “It Takes a Community” (ITC), with the Magnolia Place Community Initiative<sup>17</sup>

ITC provides a model for DCFS to adapt and apply as a community-based approach to child death mitigation. ITC requires a number of shifts in perception:

- DCFS must move from being a reactive “service-provider” to a proactive “capacity-builder.”
- A common-held belief, “the way caregivers choose to raise their children is of no concern to anyone beyond the walls of their home,” is challenged with greater community vigilance, involvement, and education.

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<sup>17</sup> Chan, S., Promoting Mental Health in Los Angeles County: “It Takes a Community”. Los Angeles California, The Edmund G. “Pat” Brown Institute of Public Affairs. September 2010.

- The focus shifts from a reactive approach of fighting child abuse, neglect, and bad parenting to a proactive focus on supporting families and communities to develop relevant skills, knowledge, and support to ensure that every child is raised in a safe and nurturing environment.
- This shift is coupled with the need to acknowledge and become comfortable with the role that law enforcement must play in child protection.

**Recommendation 3.3. Potential adaptation of the UCLA Focus program.** The Director of Mental Health and the Director of DCFS should approach officials of the Focus program at UCLA to determine if it can be adapted to help reunified families.

The Focus program has been successful in helping soldiers return home after service in a war zone. According to DCFS, children who are taken into the system remain in out-of-home placements for an average of 8.5 months. These situations are often gut-wrenching experiences that are exacerbated by the amount of time the children are away from their families during critical development stages of their lives.

While there is a world of difference between soldiers and children, the impact of the trauma they experience and their difficulty in reentering the now changed family situation can be a difficult ordeal. If successfully adapted to children, this programmatic approach could ease the transition and increase the probability of successful reunification.

**Recommendation 3.4. Neo-natal risk assessment and parental training for high-risk families.** The Director of Public Health and the Director of DCFS should develop an in-depth neo-natal risk assessment and parental training program for high-risk families.

Neo-natal home nursing visits used to be standard in many North American jurisdictions, but have mostly been dropped, primarily because of the high costs associated with a universal program.

This recommendation refers to a more intensive program focused on high-risk families. It would be tailored to assess and address the needs of high-risk families, such as mothers who are teens, drug addicts, or in relationships with histories of domestic violence. The program should involve both training and follow-up support. First 5 LA is currently addressing this issue and is a potential source of funding through its recently approved \$74 million allocation for a new Universal Assessment of Newborns in all hospitals in Los Angeles County.

**Recommendation 3.5. Improved mental health services to families.** The Director of Mental Health and the Director of DCFS should develop a more effective plan with needed funding to provide appropriate mental health services for high-risk children and their families.

**3.5.1. The Director of Mental Health and the Director of DCFS** should better address the mental health needs of adults in high-risk families.

The issue of providing mental health services to adults is complicated by the requirement that they willingly accept the service. DCFS front-line staff members need support in determining if an adult has a behavioral problem or a significant mental illness. Once the determination is made, an effective strategy needs to be developed to address any non-compliance by the adult.

**3.5.2. The Director of Mental Health and the Director of DCFS** should consider creating a multidisciplinary group to:

- Identify best clinical practices to aid at-risk children and adolescents as they transition from mental health and substance abuse treatment to school, family and community support.
- Promote a more supportive transitional period through information exchange between in-patient providers and professionals and agencies in the community.

Participants should include:

- County departments – DMH, DCFS, DHS, Probation, and Los Angeles County Office of Education (LACOE)
- Los Angeles Unified School District (LAUSD)
- Acute in-patient treatment providers
- Out-patient mental health and substance abuse treatment providers
- Members of the Child Death Review Team

**3.5.3. The Director of DCFS** should ensure that all DCFS employees during their first year of employment and contract providers serving DCFS clients and families have skills training in suicide risk identification and management.

Proof can be some form of certification or evidence of completion of the skills training. A good source for such training is the 17 competencies of suicide risk identification and management, developed by the American Association of Suicidology and the Suicide Prevention Resource Center.

This certification of completion will ensure that all mental health clinicians providing services to DCFS clients are proficient in skills for assessing and managing suicide risk.

**Recommendation 3.6. Public education and media campaigns and strategy.** The **Director of DCFS** should develop a more sophisticated approach to the media: a) for educating the public about behaviors or situations that can endanger children and b) to convey a more positive message to the public about what DCFS is achieving.

**3.6.1. The Director of DCFS**, working with other agencies such as ICAN, Public Health, DMH, and LA First 5, should develop more sophisticated, comprehensive and regular public education programs on co-sleeping, water safety, baby safe surrender, car safety, pedestrian safety, suicide prevention, and gang violence.

First 5 LA's new Universal Assessment of Newborns program can help to educate new parents regarding the risks associated with co-sleeping, in particular, as well as baby safe surrender.

**3.6.2. The Director of DCFS** should ensure the Department partners with the media to develop and broadcast Public Service Announcements to support child death mitigation efforts.

**3.6.3. The Director of DCFS** should develop a media and image strategy to improve DCFS's public image and acceptance.

#### **4. Information, Technology, and Processes**

**Recommendation 4.1. DCFS technology and information system improvements.** The Director of DCFS should work with the State of California to close the gap in the Department's information needs and propose operational improvements to the systems, particularly interfaces with the State and County systems.

This information should then be integrated into DCFS's own Information Technology (IT) Plan with quick milestones – six months or less – for enhancing access to information critical to effective DCFS operations. A DCFS IT Plan should also outline needed:

- Report writing tools
- Key performance indicators, metrics, and dashboards for monitoring performance and outcomes
- Standard management reports for analyzing data, identifying trends, and making empirically based decisions
- Priorities for approaching the State for system upgrades and refinements, making access to needed data and information easier

**Recommendation 4.2. Tools for staff to perform their duties.** The Director of DCFS should ensure that all front-line staff members have up-to-date technology tools to perform their duties effectively and efficiently, including improved connectivity and access to information.

Staff members indicated that they would be able to perform their job duties more effectively with such tools as:

- Reliable office equipment (i.e., computers, printers, and faxes)
- Field equipment (i.e., tablets and smart phones, cameras, voice recognition software, family assessment and child placement software, GPS, etc.)

**Recommendation 4.3. Departmental administrative processes.** The Director of DCFS should review the Departmental administrative and management processes to eliminate redundancy and streamline the processes and amount of documentation.

**4.3.1. The Director of DCFS** should also review and standardize the management and systems processes across all regions. Some local variation is probably a good

thing to deal with the unique conditions of the region, but it is inappropriate for processes' productivity and quality to vary dramatically from one part of the County to another. This is an opportunity to build on the practices of the most successful regions and ensure the highest quality of service is available to all children and families in all regions of the County.

**Recommendation 4.4. Placement facility vacancies and placements.** The Director of DCFS should develop a system that requires Foster Family Agencies (FFAs) and other placement providers to provide up-to-the-minute capacity for placement of children in need of care.

DCFS is beginning to track vacancies now but the tracking is reliant on SCSWs and CSWs to call in and furnish this information daily. By placing the onus on the placement facilities to indicate their capacity and vacancies, by type of child (e.g., age, gender, or special needs), time-consuming steps can be eliminated from the placement process for DCFS staff. DCFS can make such capacity and vacancy reporting a requirement in new contracts negotiated with FFAs and other placement entities. If facilities do not maintain this system, they should probably be removed from the list of acceptable facilities for placement.

**Recommendation 4.5. County contract monitoring of licensed care providers.** The Director of DCFS should enhance oversight and improve the quality of the periodic review of care providers by the Foster Home Reevaluation Unit.

While the licensing of care facilities is a State responsibility, DCFS needs to ensure that there is sufficient capacity and skills in the care facilities they use to provide all potential placements with the care they require.

There were reports of some facilities refusing to accept babies and children with special needs, despite indicating they had capacity for these placements. It would be unusual if a child taken from a family did not have adjustment problems so any 'cherry picking' by care facilities to accept only easy placements is unacceptable. DCFS should establish some thresholds, such as three rejections may result in termination of contracts.

The Foster Home Reevaluation Unit should encourage these facilities to improve or weed them out if they do not improve. DCFS has this capability by not renewing or using existing contracts with providers.

## 5. Organizational Changes

**Recommendation 5.1. Organizational structure.** The Director of DCFS should undertake a top-to-bottom organizational review of the structure and job design in DCFS.

The BOS should give the new Director of DCFS sufficient time to build a better organization. DCFS greatly needs continuity in leadership, particularly to tackle the problems of an organization that many staff members believe is top heavy and overly bureaucratic. In addition to streamlining processes, flattening the organization will improve lines of communication.

It will also provide resources to apply to critical areas of front-line services, including hard-to-serve areas. Possible strategies might be:

- Increased promotional opportunities for SCSWs and CSWs who have worked a certain number of years in two or more regions, including regions identified with higher concentrations of children and families at risk
- Additional pay – similar to “combat pay” – for SCSWs and CSWs working in regions with more at-risk clients
- Requirement that all SCSWs and CSWs work in at least one region with concentrations of at-risk clients for a minimum number of years

**Recommendation 5.2. Improved work culture.** The Director of DCFS should include improving the culture at DCFS as a priority in the implementation of the new strategic plan. Staff members should exercise “common sense” and critical thinking when making calculated, professional decisions based on risk-factors. Although staff members should be held accountable for their decisions and actions, their ability to respond rationally is adversely affected if they fear they will be second-guessed and punished for what can only be defined as errors in hindsight.

A more positive culture that stresses learning and does not punish for errors when reasonable risk-taking goes bad will likely have a good impact on the quality, appropriateness, and efficiency of the work accomplished by all and to the benefit of families and children.

**Recommendation 5.3. Multidisciplinary teams.** The Director of DCFS should evaluate the relative cost and efficacy of multidisciplinary teams to undertake the initial entry, safety, and risk evaluations required of CPHL referrals. This approach should build on the lessons learned at DCFS with its multi-disciplinary Team Decision-Making (TDM) approach and colocation of DMH, DPH, and DCFS professionals stationed in the field at night.

Concerns were raised by front-line staff about their relative experience and ability to gain entry and undertake the complex assessments required by many referrals. They cited many challenges (e.g., contention at time of entry, contentious assessments involving drugs or violence and abuse, or mental instability or behavioral problems).

The assessments can be done more quickly, efficiently, and accurately by having the specialized skills of a senior DCFS social worker, a public health nurse, and a mental health professional during contentious entries. DCFS also indicated that the skillset of an Emergency Room nurse, familiar with traumatic situations and distraught patients and families, might be an added benefit. Each team member can assess the case from different perspectives (e.g., public health nurses’ assessment of neglect vis-à-vis law enforcement’s assessment of physical or sexual abuse).

Moreover, the multidisciplinary teams can make the best assessment of the optimal placement for a child, based on the continuum of need model used in the County. The

cases with the greatest needs are candidates for FFA placements, the more costly placement option.

The creation of these specialized multi-disciplinary teams in each region to support the case workers who eventually take over the case would undoubtedly speed up the process and perhaps allow DCFS to meet the State's requirement to complete the assessment in 30 days and hopefully less.

Specialized units with additional skills and experience to deal with high-priority cases should be considered, as well as skill (as opposed to seniority) classification levels for social workers. This option of using different social workers for investigations versus support services and placement also addresses the inherent differences in the CSWs' relationships with the families.

**Recommendation 5.4. Grief counseling for DCFS staff and families involved with child fatality cases.** The Director of DCFS and the Director of DMH should develop a debriefing and support process for DCFS staff when a child or family member in one of their cases dies.

Strong bonds are developed between social workers and the families they work with. Grieving is a natural human reaction to a death of someone close. The healing process cannot normally be rushed but can be accomplished more effectively with professional support. DCFS should: a) work with the County's Employee Assistance Program (EAP) to design a program that is focused on these types of crises and b) encourage its employees, who have had to deal with a child fatality case, to take advantage of the EAP. ICAN's Peer Support Team Program (PST) might also provide a foundation to build on. The provision of these types of support will have a positive spillover and will strengthen staff members' ability to work through these situations with their clients.

Similar programs should be developed and offered to DCFS families who have lost children under such difficult circumstances. For example, DCFS can develop a network of resources through community-based organizations to work with such families.

**Recommendation 5.5. Coordination with university programs.** The Director of DCFS should collaborate with the Inter-University Consortium and with faculty at local university and college programs that prepare the next generation of social workers to help students:

- Identify where children may be at risk for their safety and well-being
- Gain the more advanced skills and knowledge needed by social workers in Los Angeles County

**Recommendation 5.6. Coordination with university programs.** The Director of DCFS should ensure improved and increased training and tools, such as:

- Mandated reporting and cross-reporting within the County system
- Safe-sleeping and outreach tools and techniques
- Methods for investigating allegations
- Intervention strategies
- How to identify suicidal tendencies
- How to identify possible high-risk families or situations of child abuse or neglect
- Technology to support training (i.e., child abuse prevention applications)
- Support for the Practice Models' coaching and the mentoring practice as a means to provide training and development

Training modules should be made available to a variety of stakeholders, such as:

- All relevant agencies (line staff and relevant management)
- Service Planning Area (SPA) Public Health Centers
- Health-based organizations (i.e., WIC, physicians, hospitals, clinics, etc.)
- Formal and informal community-based organizations, (Neighborhood Councils, Child Abuse Councils, Neighborhood Watch, etc.)
- Faith-based organizations

**5.6.1. The Director of DCFS** should ensure that the Department works with licensing organizations and certifying boards to encourage them to strengthen their mandated reporting training and closely monitor compliance.

**5.6.2. The Director of DCFS** should consider implementing the following training changes advanced by DCFS staff:

- Have the Academy training done in the regions versus at a central location to save travel time and costs
- Consider having additional Academies located in the regions with the more complex cases (e.g., South Central Los Angeles)
- Have supervisors and ARAs carry caseloads so they stay in touch with the new issues front-line staff members face
- Improve team process skills at all levels of the organization
- Offer specific training on how to present cases and recommended placements in court hearings
- Encourage a job rotation program so that case workers work in a variety of settings, particularly during the first 10 years of their careers, especially if they have career aspirations to move into supervisory or management ranks

## **REQUIRED RESPONSES**

Responses are required from:

- County of Los Angeles, Department of Children & Family Services (DCFS)
- County of Los Angeles, Department of Mental Health (DMH)
- County of Los Angeles, Department of Public Health (DPH)
- County of Los Angeles, Department of the Coroner
- County of Los Angeles, Sheriff's Department (LASD)
- City of Los Angeles, Los Angeles Police Department (LAPD)

Table 5 displays the recommendations and the agencies responsible for addressing each.

**Table 5. Recommendation Responsibility Matrix**

<b>Recommendation</b>	<b>DCFS</b>	<b>BOS</b>	<b>CEO</b>	<b>Coroner</b>	<b>LE</b>	<b>DMH</b>	<b>DPH</b>
1.1. It takes a community.	X						
1.2. Child rights.	X	X	X				
1.3. A County priority.	X	X	X				
1.4. Mandated reporting.	X						
1.5. Inadequate family support services in some County regions.	X						
1.6. Implementation of the recommendations of this CGJ investigation.	X	X	X				
2.1. Refined risk assessment instrument.	X						
2.2. Policy simplification.	X						
2.3. Child safety before reunification.	X						
2.4. Child death scene protocol.				X	X		
2.5. Reduction of the number of Undetermined child deaths.	X				X		
2.6. A check list for child death investigations.				X	X		
2.7. Guidelines for open DCFS cases.	X						
2.8. Cross-reporting standards.	X				X	X	
2.9. Follow-up review when DCFS jurisdiction is terminated.	X						
2.10. Monitoring of court rulings and placement decisions contrary to DCFS recommendations.	X						
3.1. A 23-hour assessment center.	X						
3.2. Building on DMH's community-based models and successes.	X						
3.3. Potential adaptation of the UCLA Focus program.	X					X	
3.4. Neo-natal risk assessment and parental training for high-risk families.	X						X
3.5. Improved mental health services to families.	X					X	
3.6. Public education and media campaigns and strategy.	X						
4.1. DCFS technology and information system improvements.	X						
4.2. Tools for staff to perform their duties.	X						
4.3. Departmental administrative processes.	X						
4.4. Placement facility vacancies and placements.	X						
4.5. County contract monitoring of licensed care providers.	X						
5.1. Organizational structure.	X						
5.2. Improved work culture.	X						
5.3. Multidisciplinary teams.	X						
5.4. Grief counseling for DCFS staff and families involved with child fatality cases.	X					X	
5.5. Coordination with university programs.	X						
5.6. Coordination with university programs.	X						

**ACRONYMS**

<b>ARA</b>	Assistant Regional Administrator
<b>BOS</b>	County of Los Angeles, Board of Supervisors
<b>CASA</b>	Court Appointed Special Advocate Association
<b>CASRT</b>	Child and Adolescent Suicide Review Team
<b>CCS</b>	California Children’s Services
<b>CGJ</b>	2011–2012 Los Angeles County Civil Grand Jury
<b>CHDP</b>	Child Health and Disability Prevention Program
<b>CLETS</b>	California Law Enforcement Telecommunications System
<b>CMS</b>	Children’s Medical Services
<b>CPHL</b>	Child Protection Hotline
<b>CPS</b>	Child Protective Services
<b>CRC</b>	Convention on the Rights of the Child
<b>CSW</b>	Children’s Social Worker
<b>CWS/CMS</b>	Child Welfare Services Case Management System
<b>DCFS</b>	County of Los Angeles, Department of Children and Family Services
<b>DHS</b>	County of Los Angeles, Department of Health Services
<b>DMH</b>	County of Los Angeles, Department of Mental Health
<b>DOJ</b>	U.S. Department of Justice
<b>DPH</b>	County of Los Angeles, Department of Public Health
<b>EAP</b>	Employee Assistance Program
<b>ERCP</b>	Emergency Response Command Post
<b>FCI</b>	Family and Children’s Index
<b>FFA</b>	Foster Family Agency
<b>GPS</b>	Geographical Positioning System
<b>ICAN</b>	Inter-Agency Council on Child Abuse and Neglect
<b>IT</b>	Information Technology
<b>ITC</b>	“It Takes a Community” (DMH initiative)
<b>LACOE</b>	Los Angeles County Office of Education
<b>LASD</b>	Los Angeles Sheriff’s Department
<b>LAUSD</b>	Los Angeles Unified School District
<b>LE</b>	Law enforcement (Sheriff, LAPD, etc.)
<b>MOU</b>	Memorandum of Understanding
<b>NIS</b>	National Incidence Study
<b>PST</b>	Peer Support Team Program
<b>RM</b>	Regional Manager
<b>SCSW</b>	Supervising Children’s Social Worker
<b>SDM®</b>	Structured Decision Making program
<b>SEIU</b>	Service Employees International Union
<b>SIDS</b>	Sudden Infant Death Syndrome
<b>SUIDS</b>	Sudden Unexplained Infant Death Syndrome
<b>TDM</b>	Team Decision-Making

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# EDUCATION OF INCARCERATED JUVENILES



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# EDUCATION OF INCARCERATED JUVENILES

## INTRODUCTION

Education of juveniles in probation camps and juvenile halls came to the attention of the Los Angeles County Civil Grand Jury (CGJ) as a result of a presentation by an invited speaker. Simultaneously, the CGJ, charged with reporting on the welfare of the jail population in Los Angeles County, began inspections of juvenile detention facilities. During those visits and inspections, the CGJ had the opportunity to observe a number of classrooms where youth are educated while detained.

While in custody, juveniles are under the supervision and direction of the Los Angeles County Probation Department. According to the Probation Department, the program has been designed and based on the philosophy of mutual respect. The charge is to rehabilitate juveniles so that, when they are released, recidivism is less likely.

The Los Angeles County Office of Education (LACOE) is directly responsible for educating juveniles while they are in juvenile halls or camps. The goal of LACOE is to provide detained youth the opportunity to earn their high school diploma or General Education Diploma (GED), including the prerequisites to enter an institution of higher learning. In addition, they are to offer career or vocational education classes. These opportunities vary with respect to each juvenile's sentence.

This investigation centered on implementation and quality of educational services at juvenile detention facilities in Los Angeles County.

## BACKGROUND

LACOE entered into a settlement agreement on January 12, 2008, regarding a legal case focused on education involving the school at Challenger Memorial Youth Center ("Challenger"). The American Civil Liberties Union (ACLU) charged that students were not receiving an appropriate education while detained. The legal settlement required systematic reforms for students detained for 15 days or more. Compensatory education, special education services, transition counseling, and increased availability of reading materials for identified students are required by the settlement.<sup>1</sup>

## METHODOLOGY

### Document Review

The CGJ reviewed a number of documents related to the education of youth housed in juvenile camps or halls. Those documents included the settlement agreement, the

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<sup>1</sup> See Exhibit 1 for an abbreviated form of the settlement. The entire text of the settlement is available on the LACOE website ([www.LACOE.edu](http://www.LACOE.edu)). Enter "Challenger" into the search box there to find several documents relevant to Challenger and its reform, or see Appendix A for the full web address.

progress of reforms in process by the County Probation Department and LACOE, and documents relating to academics of the juveniles in the detention system. The CGJ reviewed information about the task force at Challenger Camps, as well as data relating to specific camp schools on LACOE's web site:

- Challenger Task Force (CTF) sparked extensive reforms at LACOE after the legal settlement of the class action lawsuit relating to youth detained at Challenger School. These reforms have been documented by CTF and some have been extended to the other schools in the Los Angeles County Juvenile Detention System as well.<sup>2</sup>
- The Comprehensive Education Reform Committee (CERC) was formed to identify and monitor the status of recommendations that cover a wide range of reforms which extend the scope of the Challenger reforms. CERC is comprised of department chiefs and leaders of a number of Los Angeles County departments. The Probation Department and LACOE jointly report periodically to the Board of Supervisors of Los Angeles County about the progress of the reforms. Essentially, 35 recommendations have been identified and the status of each is reported quarterly, pursuant to the Board's motion.<sup>3,4</sup>
- The Road to Success Academy (RTSA) at Camps Scott and Scudder is one of the projects funded in the Board of Supervisors' "Proposed Spending Plan to Implement Projects" to financially support CERC. RTSA's educational program was designed using evidence-based research. Students complete projects reflecting the appropriate California Academic Standards. An article in the *Journal of Juvenile Court and Community School and Alternative Administrators of California* gives a comprehensive description of the evolution of RTSA.<sup>5,6</sup>
- The School Accountability Report Card (SARC) provided information about the accountability of specific educational programs in California schools. Information about camp schools is available on the LACOE website.<sup>7</sup>

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<sup>2</sup> See Exhibit 2 for an abbreviated form of the October 2011 report. The entire redacted report is available on the LACOE website ([www.LACOE.edu](http://www.LACOE.edu)). Enter "Challenger" into the search box, or see Appendix A for the full web address.

<sup>3</sup> A discussion of the 35 recommendations and their implementation status is located in an August 2011 CERC report on the internet at [http://file.lacounty.gov/bc/q3\\_2011/cms1\\_164315.pdf](http://file.lacounty.gov/bc/q3_2011/cms1_164315.pdf)

<sup>4</sup> See Exhibit 3 for excerpts from the November 2011 report on the "...Spending Plan to Implement Projects in Support of Comprehensive Education Reform..." or, for the full report, see <http://file.lacounty.gov/bos/supdocs/64800.pdf>

<sup>5</sup> [http://www.lacoe.edu/DocsForms/20110729120452\\_On\\_the\\_Road\\_to\\_Success.pdf](http://www.lacoe.edu/DocsForms/20110729120452_On_the_Road_to_Success.pdf)

<sup>6</sup> For more information on RTSA see Exhibits 4, 5 and 6 or enter "Road to Success" in the search box on the LACOE website.

<sup>7</sup> Enter "SARC" in the search box on the LACOE website to see the LACOE school reports.

## Site Inspections

In August 2011, the CGJ began inspections of jails as required by California Penal Code §919(b). Later, when this investigation began, the CGJ revisited many of the camps, specifically to observe camp schools. The CGJ eventually observed classrooms in a dozen camp schools in the juvenile detention system. After visiting each camp school, the CGJ reviewed the education process observed and recorded their impressions the Observation Sheet (OS) shown in Appendix B.

Classrooms were observed at the following locations:

Facility	School
Afflerbaugh-Paige Camp	Angeles Forest PAU*
Rockey Camp	Angeles Forest PAU
Central Juvenile Hall	Central PAU
Challenger Camps: Jarvis, McNair & Onizuka	Christa McAuliffe PAU
Los Padrinos Juvenile Hall	Los Padrinos PAU
Munz & Mendenhall Camps	Munz / Mendenhall PAU
Scott & Scudder Camps	Road to Success Academy PAU
Kilpatrick, Miller, and Gonzales	Santa Monica Mountains PAU

\* Principal's Administrative Unit (Defined in *LACOE 2012 Public Schools Directory*)

## Discussions with Administrators

The CGJ met with administrators at LACOE to inquire about several areas of concern. Questions centered on the following topics:

- Selection and placement of certificated teachers including the number and frequency of use of substitute teachers
- The academic calendar, including hours and days of student instruction
- Assessment of students in order to plan a program for best educating them during the time they are part of the LACOE program
- Ease of records transfer, including computerized information, between sending and receiving schools

## DISCUSSION

During visits to the camp classrooms, the CGJ observed students participating in education in all open classrooms. Due to teacher training, some classrooms were

closed during the normal school day. No substitute teachers were in the rooms, so the classes were cancelled and youth went to their dorms or participated in other activities. In all classes, even classes that were dark and not in use, there was student work displayed on walls and/or on top of cabinets.

The CGJ found that approximately 25% of the open classrooms were staffed by substitute teachers. Several administrators reported that they use a pool of substitute teachers regularly, and that these substitute teachers received training with the other regular classroom teachers. Long-term, capable substitute teachers were sometimes used as regular teachers for the year. Additionally, substitute teachers are also needed when teachers take vacation days throughout the year, due to the year-round schedule.

Adequate supplies and text books were evident in all classrooms. In addition, many classes made use of technology, such as computers and computerized white “smart boards”. In some schools, especially at Camps Scott and Scudder, the students were able to use technology, specifically the smart boards, for class demonstrations. Students at Gonzales regularly learn language and communication skills in a computer lab.

Not all schools use computers for the students’ education. The CGJ observed some computer monitors had been defaced with graffiti. Camps Munz and Mendenhall had technology that was not yet available for use by students. The administrator stated that teachers would soon receive training in the use of the new computers.

In addition to text books, there were a large number of subject-related leisure reading books in classrooms or in dorm rooms. There are private foundations that support reading and literacy programs (i.e., Operation Read, and the Why Not Foundation). Probation officers at camps pointed out that they would also like a number of soft-back leisure reading materials of the same title, so the youth could form book clubs in the dorms. They also would like to have the juveniles receive a gift of a soft-back leisure book when they transition from camp and return to their local school.

At Camps Scott and Scudder, the principal and teachers at RTSA meet on a regular basis to plan the curriculum which integrates with the California Academic Standards. They have devised a thematic, project-based curriculum that is both efficient for teachers and meaningful for students. Those teachers frequently commented that the new curriculum has reduced paperwork. They also told the CGJ that students are better motivated to learn using the new curriculum. The students are sentenced to the camps for anywhere from as short a time as 30 days, to more than one year. Because the student population is constantly in flux, the thematic, project-based curriculum is well suited to the needs of the students.

According to interviews with probation officers at the camps, this new academic program has a positive effect on the attitude of the students that is reflected in their

behavior at camp. RTSA has developed a unique role for probation officers inside the classroom as they join the “Opening Circles” each morning.<sup>8</sup>

Teachers at other camp schools reported to the CGJ they are also teaching to the California State Academic Standards. In some cases, the standards were posted on the classroom walls. Several teachers at Camps Munz and Mendenhall schools verbally expressed frustration about the immense amount of detailed record keeping required to account for student progress.

Teachers frequently teach more than one subject. For example, a mathematics teacher may also teach science. A social studies teacher is likely to also teach English Language Arts. The LACOE administrators indicated that the teachers are fully credentialed and the Multiple Subject Credential has been approved for use in the camp schools by the state. This is confirmed by the SARC on the LACOE web site.

The CGJ observed a number of vocational or career training programs. The landscaping program at the Challenger camps, and the cooking and baking classes at Camp Gonzales were particularly notable. Allowing time for these very valuable classes is a challenge as they are considered electives rather than required classes. There is a great deal of competition for time and space for vocational programs at all camp schools visited by the CGJ.

The students at Camp Gonzales benefit from a strong mentoring program. College students from a nearby university come to the camp to mentor and tutor the juveniles. This highly successful program was initiated by a long-term substitute teacher at the school. The CGJ also saw that community groups have periodic participation with the youth. The juveniles told the CGJ they liked living and studying at the camps. They did not eagerly anticipate returning to their home environment because they feared gang violence in their neighborhoods. Probation officers, teachers, tutors, and mentors challenge the juveniles’ prior experiences and offer a window to the future.<sup>9</sup>

The CGJ found the probation officers to be an integral part of the education process at the camps. The probation officers and staff work with the students before and after school, supervising meals, sports, and many other activities. The probation officers also stay near, or inside, most classrooms during the school day. At RTSA, the probation officers participate with the teachers and students in the classrooms, integrating the classroom with the camp community and providing continuity for the students. The juveniles learn how to relate to other youth and adults in an environment entirely different from their home community. Probation officers provide organization and necessary support structure for the youth.

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<sup>8</sup> For more information on RTSA and the Opening Circles see Exhibits 4, 5 and 6 or enter “Road to Success” in the search box on the LACOE website ([www.LACOE.edu](http://www.LACOE.edu)).

<sup>9</sup> For more information on the reentry process at Camp Gonzales, see Exhibit 7 – “*Camp Community Partners*”

During meetings with administrators at school sites and district headquarters, the CGJ shared concerns of some of the principals. Due to the constantly changing student population, principals felt that academic programs might be negatively affected. Numbers of attending students at each school are reported to the district each month. LACOE administrators assured the CGJ that the varying numbers of students had been considered when norms for annual programs were established. Thus, the CGJ was told by high-level administrators that existing academic programs would not be in jeopardy.

The CGJ was provided with extensive information about the efficient transfer of information through “LACOE Records Transfer” to and from local schools. Counselors at camp schools shared their process for sharing pertinent and accurate information.

The CGJ found that some students have missed valuable time in class because they must be transported long distances to distant hospitals for medical services. At least two staff members must accompany the students.<sup>10</sup>

Several school principals and LACOE administrators noted the year-round calendar has an adverse impact on the academic program because of the extensive use of substitute teachers during the regular class schedule. Teacher training days are scheduled periodically during the year requiring further use of substitute teachers. In addition, presently each teacher may select any two days per month as vacation days. In contrast, at one school, RTSA, teachers voluntarily take their vacations during the summer for continuity of the academic program.

The CGJ saw some exciting and beneficial lessons in which students were actively involved. However, the CGJ also observed some lessons which seemed confusing and of dubious value to the students. Lack of order was especially notable in one class, in which students were noisy, rowdy, and not paying attention to the lesson. The teacher appeared to be overwhelmed, unhappy, and uninterested. The teacher was a regular teacher, not a substitute teacher. The CGJ was concerned about the strength of the evaluation process for teachers.

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<sup>10</sup> See the 2011-2012 Los Angeles County CGJ report on Detention in this volume.

## FINDINGS

1. Substitute teachers are frequently employed because of the year-round calendar and teachers' training schedule. Students who leave the camp schools frequently return to local schools that are on the traditional calendar.
2. There is uneven educational use of computers and technology by students. Some students are very comfortable using computers to share research and reports, while other students have no opportunity to work on computers.
3. The academic program at The Road to Success Academy is highly acclaimed by teachers, students and probation officers at Scott and Scudder Camps. Project-based academic programs are more efficient for record keeping. Project-based academic programs engage the students in learning more intensely than traditional education.
4. Teachers at the juvenile camps and halls' schools are appropriately credentialed by the State of California. However, teachers do not all have the same level of competence. Some teachers are allowed to continue to teach despite their inability to manage a classroom.
5. Students at some of the camps are transported long distances to LAC+USC Hospital for a number of medical procedures so they miss valuable class time.
6. Vocational education opportunities are limited at the camps due to scheduling challenges.
7. Mentors and volunteers provide a strong motivation to youth for inspiration and are excellent role models.
8. Juveniles benefit from additional leisure reading materials.
9. Probation officers play a very important role in support of education of students at the camps.
10. The CGJ saw no court officers at the camps. The CGJ was told by probation officers that they have not seen court officers visit the camps.

## RECOMMENDATIONS

**The CGJ recommends to:**

### **The Superintendent of the Los Angeles County Office of Education**

1. Address the situation of the frequent use of substitute teachers. Long-term substitutes must be trained with the regular teachers for continuity of the education program. Change to a traditional, September-June calendar, to parallel other districts in Los Angeles, with staff development occurring primarily during the

summer. Summer school could be provided for remedial and elective courses. This would give teachers, who prefer working year-round, an opportunity to do so.

2. Expand the use of computers and technology for students' education, and provide technical support for teachers.
3. Have teachers observe classes at the Road to Success Academy, to better implement the reforms detailed in the CERC report to the Board of Supervisors.
4. Strengthen the teacher evaluation process by frequent well-documented observations and counseling for improvement. With these provisions, teachers who do not meet expectations could choose to leave for a more suitable position, or they could be removed from their teaching positions at the camps and halls.

**The Chief of the Los Angeles County Probation Department**

5. Negotiate and provide a contract with local hospitals for inoculations and medical services so that juveniles are not absent from classes, and staff is not away from camp for extended periods of time.

**The Chief of the Los Angeles County Probation Department**

and

**The Superintendent of the Los Angeles County Office of Education**

6. Address scheduling challenges of vocational education. Vocational education should be an integral part of the program at the camps.
7. Implement a program for volunteers at the camps. A dedicated coordinator position in LACOE, or at various juvenile detention sites, would expand the involvement of the community.
8. Provide soft-back leisure reading books to promote book clubs at the camps and to give to the students as they leave.
9. Form a task force to develop a process so that probation staff and teachers can communicate and work together in a more meaningful way.
10. Invite members of the juvenile court system to visit and observe the improved educational programs at the juvenile camps.

**REQUIRED RESPONSES**

<b>Recommendations</b>	<b>Responding Agency</b>
1, 2, 3, 4, 6, 7 8, 9, 10	Superintendent, Los Angeles County Office of Education
5, 6, 7, 8, 9, 10	Chief, Los Angeles County Probation Department

## ACRONYMS

<b>ACLU</b>	American Civil Liberties Union
<b>CERC</b>	Comprehensive Education Reform Committee
<b>CGJ</b>	Los Angeles Civil Grand Jury
<b>CTF</b>	Challenger Task Force
<b>GED</b>	General Education Diploma
<b>LACOE</b>	Los Angeles County Office of Education
<b>OS</b>	Observation Sheet
<b>PAU</b>	Principal's Administrative Unit
<b>RTSA</b>	Road to Success Academy
<b>SARC</b>	School Accountability Report Card

## APPENDICES

- A Juvenile Camp & Hall School Observation Sheet
- B Websites with Relevant Documents

## EXHIBITS

- 1 Notice of Settlement - Casey A. et al. v. Jon R. Gundry et al. - abbreviated<sup>11</sup>
- 2 Challenger Reform Task Force Report – abbreviated<sup>12</sup>
- 3 Proposed Spending Plan for Comprehensive Reform at Juvenile Camps - excerpts<sup>13</sup>
- 4 On the Road to Success<sup>14</sup>
- 5 Road to Success Academy – Mission & Vision Statements<sup>15</sup>
- 6 Road to Success Academy – School Description<sup>16</sup>
- 7 Camp Community Partners<sup>17</sup>

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<sup>11</sup> Source: <http://www.aclu-sc.org/downloads/38/183254.pdf>

<sup>12</sup> <http://www.lacoe.edu/> - Enter "Challenger" in the search box

<sup>13</sup> <http://file.lacounty.gov/bos/supdocs/64800.pdf>

<sup>14</sup> [http://www.lacoe.edu/DocsForms/20110729120452\\_On\\_the\\_Road\\_to\\_Success.pdf](http://www.lacoe.edu/DocsForms/20110729120452_On_the_Road_to_Success.pdf)

<sup>15</sup> Source: LACOE administrator

<sup>16</sup> Source: LACOE administrator

<sup>17</sup> <http://www.newvisionsfnd.org/file/programguide.pdf>

### Juvenile Camp & Hall School Observation Sheet

Name of Juvenile Detention Center _____		
Date of observation _____ CGJ Member _____ -		
How many classrooms did you see?	One	More than one
Were juveniles and a teacher in the classroom?	Yes _____	No _____
If the classroom was empty, what was the (stated) reason? _____ _____		
Did the juveniles appear to be interested in the subject?	Yes _____	No _____
Was the teacher interested in the subject?	Yes _____	No _____
Did you think the teaching was relevant to the juveniles?	Yes _____	No _____
Did the juveniles have use of technology (Computers, microscopes, etc)?	Yes _____	No _____
If so, please describe: _____ _____		
Were there books in the classroom?	Yes _____	No _____
Were there books in their dorm rooms or common areas?	Yes _____	No _____
Was the teacher lecturing?	Yes _____	No _____
Was the teacher working with small groups of students?	Yes _____	No _____
Could you see what subject the teacher was teaching?	Yes _____	No _____
Did you see student work in the room (on bulletin boards)?	Yes _____	No _____
Was vocational training in evidence?	Yes _____	No _____
If so, how was it used? _____ _____		
Was the teacher a regular teacher (not a substitute)?	Yes _____	No _____

**APPENDIX A – Websites with Relevant Documents**

Casey A. Class Action Settlement <b>(Exhibit 1)</b> : <a href="http://www.aclu-sc.org/downloads/38/183254.pdf">http://www.aclu-sc.org/downloads/38/183254.pdf</a>
Challenger Reform Task Force Report <b>(Exhibit 2)</b> : <a href="http://www.lacoe.edu/">http://www.lacoe.edu/</a> - Enter “Challenger” in the search box
Comprehensive Educational Reform Implementation in Juvenile Halls and Camps – 7: <a href="http://file.lacounty.gov/bc/q3_2011/cms1_164315.pdf">http://file.lacounty.gov/bc/q3_2011/cms1_164315.pdf</a>
Spending Plan to Implement Projects... <b>(Exhibit 3)</b> : <a href="http://file.lacounty.gov/bos/supdocs/64800.pdf">http://file.lacounty.gov/bos/supdocs/64800.pdf</a>
On the Road to Success <b>(Exhibit 4)</b> : <a href="http://www.lacoe.edu/DocsForms/20110729120452_On_the_Road_to_Success.pdf">http://www.lacoe.edu/DocsForms/20110729120452_On_the_Road_to_Success.pdf</a>
Camp Community Partners <b>(Exhibit 7)</b> : <a href="http://www.newvisionsfnd.org/file/programguide.pdf">http://www.newvisionsfnd.org/file/programguide.pdf</a>
TCA Interim Report – Challenger: <a href="http://www.lacoe.edu/DocsForms/20110712084351_TCA%20Interim%20Report%20July%202011%20%282%29.pdf">http://www.lacoe.edu/DocsForms/20110712084351_TCA%20Interim%20Report%20July%202011%20%282%29.pdf</a>
ACLU – Settlement of Challenger Lawsuit: <a href="http://www.aclu-sc.org/releases/view/103051">http://www.aclu-sc.org/releases/view/103051</a>
2011 Growth API LEA List of Schools Report: <a href="http://api.cde.ca.gov/Actn2011/2011GrthAPIdst.aspx?cYear=&amp;allcids=1910199&amp;cChoice=2011GDst1">http://api.cde.ca.gov/Actn2011/2011GrthAPIdst.aspx?cYear=&amp;allcids=1910199&amp;cChoice=2011GDst1</a>
Expecting More: <a href="http://www.hunter.cuny.edu/socwork/nrcfcpp/downloads/teleconferences/ECC_Blueprint.pdf">http://www.hunter.cuny.edu/socwork/nrcfcpp/downloads/teleconferences/ECC_Blueprint.pdf</a>
Expecting More – Progress in Implementing Recommendations: <a href="http://www.educationcoordinatingcouncil.org/Documents/Reports/BOS_Progress_Reports/BOS%208-09-11.pdf">http://www.educationcoordinatingcouncil.org/Documents/Reports/BOS_Progress_Reports/BOS%208-09-11.pdf</a>
Los Angeles County Juvenile Hall: <a href="http://www.lacoe.edu/DocsForms/20110627031721_10%20SARC_LACOE_Juvenile%20Hall.pdf">http://www.lacoe.edu/DocsForms/20110627031721_10%20SARC_LACOE_Juvenile%20Hall.pdf</a>

## EXHIBIT 1

### NOTICE OF SETTLEMENT OF CLASS ACTION LITIGATION *Casey A. et al., v. Jon R. Gundry, et al., Case No. CV 10-00192 GHK (FMOx)*

**To: All People Who Were Detained at Challenger Memorial Youth Center in Lancaster, California at any point between January 12, 2008 and November 8, 2010.**

#### **PLEASE READ ALL OF THIS NOTICE CAREFULLY. YOUR RIGHTS MAY BE AFFECTED BY A CLASS ACTION SETTLEMENT.**

The parties have reached a proposed settlement agreement (“Settlement”) in this class action brought on behalf of students who alleged that they were denied educational and rehabilitative services during the time they were detained at Challenger Memorial Youth Center (“Challenger”). You are getting this notice because records show that you were detained at Challenger between January 12, 2008 and November 8, 2010. Because of this, you are a member of the Class that is affected by this settlement.

The Court has authorized this notice. The Settlement will be considered final only after the Court has a hearing to decide whether to approve the Settlement. The Court has not decided the merits of this case. This notice is being sent to you to: 1) describe the Settlement; and 2) explain your rights, including how to participate in the Settlement, object to the Settlement, or request to be excluded from certain parts of the Settlement, as well as what happens in each case.

#### **I. BACKGROUND OF THE CASE**

Three students who had been detained at Challenger alleged in a case filed in federal court that they did not get appropriate education and rehabilitative services while they were there, and asked to represent all other students at Challenger since January 12, 2008 (“Class Members”). The lawsuit alleges violations of students' rights to due process and equal protection under the United States and California Constitutions and their rights to receive general education and special education services under federal and California statutory law. The three students brought the lawsuit against the Los Angeles County Probation Department and several officials of the Los Angeles County Office of Education (collectively “Defendants”).

The three students asked the federal court to order Defendants to make sure that all of the students detained at Challenger receive appropriate education and rehabilitative services and asked for services for the students – who are also called “class members” - to make up for services they did not receive while at Challenger.

#### **II. SUMMARY OF THE PROPOSED SETTLEMENT**

##### **A. Defendants Must Implement Systemic Reforms at Challenger**

The Settlement says that Defendants must make systemic reforms at Challenger in thirteen areas related to educational and rehabilitative services for detained students. This means that Defendants will take steps to make sure that students at Challenger receive appropriate educational and rehabilitative services. Defendants will use a team of independent experts who

will help them develop and implement plans to provide educational and rehabilitative services, and monitor compliance with the Settlement. Defendants will also create a Challenger Reform Taskforce that will provide feedback on the reform efforts at Challenger. Defendants will also develop a literacy program, including a lending library, and a career and technical education program, and take a number of other steps to improve education and rehabilitative services at Challenger.

**B. Los Angeles County Office of Education (“LACOE”) must provide compensatory education services to Class Members**

As part of the Settlement, most Class Members will get individualized education and transition counseling services provided for free through independent service providers. If the Court approves the Settlement, Class Members will receive a separate notice telling them how many hours of services they will get and how to get their services. Class Members will have two years from the date that notice is mailed to use these services. The number of hours of services each Class Member will get will be determined as follows:

**1. Class Members Who Have Not Received a High School Diploma/GED**

Class Members will each receive: One (1) point if they were detained at Challenger for more than 15 cumulative school days; One (1) additional point if they were detained at Challenger for more than 200 cumulative school days; One (1) additional point if they were identified as eligible for special education services; One (1) additional point if they were younger than 15 years old when first admitted to Challenger. Each Class Member will be entitled to 40 hours of services for each point he receives under the formula.

Based on this formula, Class Members in this category will be entitled to between 40 and 160 hours of services. After completing at least 40 hours of services, the Class Member can also get a free e-reader with two free books of his choice.

**2. Class Members Who Have Received a High School Diploma or GED**

If a Class Member has already received a high school diploma or a GED, that Class Member will not receive the services explained in section (1), above, but will instead receive five hours of career or educational counseling. After completing the five hours of services, the Class Member can also get a free e-reader with two free books of his choice.

**3. Class Members Who Were At Challenger Fewer Than 15 School Days**

Class Members will not receive compensatory services if they were detained at Challenger for fewer than 15 school days.

For the remainder of this Notice of Settlement, please see the website:  
[http://probation.co.la.ca.us/PDF/CRTF/ClassNotice\\_EnglishVersion.PDF](http://probation.co.la.ca.us/PDF/CRTF/ClassNotice_EnglishVersion.PDF)

## EXHIBIT 2

# CHALLENGER REFORM TASK FORCE REPORT

OCTOBER 2011

The Challenger Reform Taskforce was formed in response to Casey A. settlement agreement which requires that a Taskforce be established with the responsibility for providing information and feedback relevant to the reform efforts at Challenger and serve as a liaison to individuals at Challenger and community stakeholders. The settlement agreement requires the Taskforce to report to the parties twice per year on the implementation of the Detailed Plans and the quality of educational and rehabilitative programming available to youth at Challenger. This is the first six month report to be submitted to the parties of the class action lawsuit required by Section 32 of the settlement agreement.

The organizational meeting for the taskforce was held on March 19, 2011. The Taskforce decided it would meet the second Tuesday of each month beginning in April. Minutes of the monthly meetings attached to this report list the members present and the agenda items for each meeting. During June, July, and August the West Camps at Challenger were closed and the teaching staff, school principal, and student leaders changed causing difficulties in maintaining the continuity of the committee. Probation Personnel also changed during this period; both Probation and LACOE committee members were replaced during this period.

As we moved into August it became apparent that having a parent representative was going to be very difficult as time necessary to carry out the intended purpose of the parent and distances traveled were too difficult to overcome. The student representation was easily maintained even as camps were closed and youth returned to their communities. However, the appointment of a principal and a new education representative from Probation made it difficult to maintain Taskforce momentum as the new representatives needed time to adjust to their new positions.

As all of the changes were taking place, it became apparent that a different approach to the agenda of the committee was necessary. The members of the committee with the exception of the community representative were closely connected to the either probation or the school and were very familiar with the day to day operations of Challenger; this made much of the information repetitive for all but the community member. Also, because of camp closings and changes in personnel, it was difficult to maintain the initial momentum of the Taskforce and the ability of the group to report or document progress on detailed plans.

Following discussion among Taskforce co-chairs and the TCA representative, different strategies were developed to reaffirm the intent and purpose of the Taskforce. The group has decided to sharpen its focus on the community and explore sources of support to youth. These groups include businesses,

service groups, education institutions, volunteers, and various professional groups such as law enforcement, military related installations, attorneys, medical professionals, career/technical related entities for job preparation, and other agencies in the Antelope Valley. The dissemination of accurate information about the facility and its purpose is necessary if the Taskforce is to realize its potential and achieve its purposes.

The permanent members of the Taskforce have established a program for inviting members of the various businesses and communities listed above to visit Challenger so that accurate information can be exchanged between all stakeholders in an orderly, organized manner. Hopefully, the community can be used to support programming, job opportunities, and education services for the youth currently detained at Challenger and after they are released back into their respective communities.

Section 32, Settlement Agreement states that the status reports will address: progress in implementing the Detailed Plans; compliance with deadlines or temporal benchmarks established by the Detailed Plans; areas where additional attention is needed to ensure compliance with the detailed Plans; and feedback from relevant stakeholders on progress at Challenger. The Taskforce members have been given information on progress at each meeting with a written summary presented at the October, 2011 meeting. The status reports have been posted on the website described in paragraph 29.

With the assistance and support of Probation and LACOE, the full intent and purpose of the Task Force Committee can be institutionalized and be maintained for many years to come.

Respectfully submitted;

Rondale Cooper, Co-Chair, Principal, McAuliffe High School

Steve Gores, Co-Chair, Education Specialist, Probation

Dr. Richard Krause, TCA Expert

Attachments: Minutes, Attendee Records, and tally summary for Meetings Involving the Thirteen Sections of the Settlement Agreement.

**EXHIBIT 3**



**COUNTY OF LOS ANGELES  
PROBATION DEPARTMENT**

9150 EAST IMPERIAL HIGHWAY – DOWNEY, CALIFORNIA 90242  
(562) 940-2851



**CALVIN C. REMINGTON**  
Acting Chief Probation Officer

November 15, 2011

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVE PROPOSED SPENDING PLAN TO IMPLEMENT PROJECTS  
IN SUPPORT OF COMPREHENSIVE EDUCATION REFORM AT  
PROBATION CAMPS AND HALLS, APPROVE APPROPRIATION ADJUSTMENT,  
CONTRACT WITH THE LOS ANGELES COUNTY OFFICE OF EDUCATION, LACOE'S  
OVERSIGHT OF EDUCATION REFORM ENDEAVOR, AND  
OTHER RELATED CHANGES**

**(3 VOTES, ALL SUPERVISORIAL DISTRICTS)**

**SUBJECT**

Board approval of the Comprehensive Education Reform Committee's Proposed Education Reform Spending Plan and approval of an Appropriation Adjustment and other related changes is requested to enable the implementation of certain projects in support of education reform for minors at Probation camps and halls, including approval for the Los Angeles County Office of Education (LACOE) Superintendent to oversee the education reform endeavor.

The following are excerpts from this Letter to the Los Angeles County Board of Supervisors from Acting Chief Probation Officer Calvin C. Remington:

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

56 November 29, 2011

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

[Page 4]

### Recommendation for LACOE to Oversee Education Reform Endeavor

In recognition that the Comprehensive Education Reform Committee, as currently chaired by the Chief Probation Officer, has fulfilled its role of developing a comprehensive education reform plan that was previously approved by your Board and is comprised of the 35 education reform recommendations, it is recommended that upon your Board's approval, the LACOE Superintendent oversee the education reform endeavor, which includes chairing the existing Comprehensive Education Reform Committee that was created in 2007. The Committee would be comprised of existing members, and any additional members, if necessary, and would continue to be utilized as an advisory body.

### Key Education Reform Highlights and the Deficiencies to be Addressed

The education services provided to probation youth at camps and halls need continued reform as there are many deficiencies that need to be addressed. Probation youth must first be provided with the basic core educational services and essential skills – reading, writing, arithmetic, and character building – needed to have a better opportunity of breaking the cycle of committing crime and becoming self-sufficient members in their communities.

Until the basic core educational services are provided, the previously established four educational pathways – obtaining a high school diploma and passing the California High School Exit Examination; obtaining a General Education Development certificate; completing Career Technical Education/Vocational Educational programs in camp for preparation of formal apprenticeships and/or employment in the community; and having opportunities to attend two or four-year colleges, are just that – pathways that may never be taken or fulfilled by probation youth because many simply have low reading, writing, and arithmetic skills.

The Los Angeles County Office of Education and Probation, the key agencies in this endeavor, continue to collaborate to improve the overall delivery of education services to Probation youth at camps and halls. However, as reflected below, there are still many deficiencies and obstacles that must be overcome primarily due to a lack of:

- Structural Data Needs – Certain education-related data is needed, especially when dealing with approximately 20,000 active juvenile probationers. Currently, there is no electronic information sharing between LACOE and Probation. Probation and LACOE have difficulty obtaining accurate, timely records. For example, comprehensive transcripts are rarely provided to schools, parents, or youth, impeding LACOE's and Probation's ability to quickly and better assess the youths' education needs.

[Page 5]

- Adequate Staff to Support Probation's Director of School Services – The only Probation position dedicated full-time to the education reform effort is a Senior Probation Director that functions as the Probation Department's Director of School Services. This managerial position needs the newly requested Supervising Program

Analyst, Probation position to function as a Unit supervisor to oversee one existing staff support position and the additionally requested staff support position to proceed with implementing the proposed projects.

- Probation Youth Need Basic Core Education Services and Essential Skills -- Probation youth have low reading, writing, arithmetic and character building skills, minimal guidance regarding the education process and assistance with school transitioning issues, and no real hands-on, career technical educational/vocational educational opportunity, and need DPOs to enhance their youth advocacy skills.
- Parents/Guardians Need Essential Advocacy Skills and Transportation Services – Probation youths’ parents and guardians do not have the necessary knowledge they need to navigate the education system and know even less, their education-related legal rights and how to advocate for their youth. In addition, youths’ parents and guardians have lots of difficulty visiting their youth in camps or halls due to a lack of transportation services. The proposed projects include funding to provide training to DPOs on youth advocacy. In addition, LACOE and Probation will develop a transportation services program and will return to your Board for any contractual authority, if necessary. The proposed program will be provided to your Board for review prior to implementation.

The implementation of the proposed projects is necessary to address the identified deficiencies as well as those raised in the Casey A lawsuit and by the Department of Justice and other key stakeholders.

[Pages 7-8]

#### Implementation of Pilot Charter Look-Alike School at Camps Scott and Scudder

A “charter look-alike” pilot school at Camps Scott/Scudder began on September 27, 2010. The outcomes of this pilot school focus on the needs, interests, and successful transitioning of female youth in the camps to higher education and/or successful employment, internships, and vocations. With the implementation of this “Road to Success Academy”, there has been remarkable progress in girls’ level of engagement. The program implements a project-based instructional delivery which is centered on the individual interests and abilities of each student. Utilizing evidence-based research, the California Academic Content Standards are taught as they are necessary to fulfill the components of each student’s research for their projects. Projects reflect various aspects of unit themes such as self-esteem, empowerment, and hope. The project-based strategies have resulted in a school-wide culture where the girls have exhibited improved levels of self-confidence, greater focus and attention on classroom engagement, and higher quality of academic work. LACOE will continue to monitor the progress of the “charter look-alike” pilot school at Camps Scott/Scudder and how and when a similar model can be implemented for boys at one of the other camps.

**EXHIBIT 4****On the Road to Success<sup>1</sup>**By Allison Deegan<sup>2</sup>

In September 2010, as students filed into their classrooms, many things were uncertain. Would their new school be able to overcome the historical challenges of previous program formats? Would the resources they needed be available? Would they be able to live up to the new school name they had voted on as a student body, the “Road To Success Academy?” One thing was clear to all of the students, faculty, administrators and staff - the stakes were extremely high.

The Road To Success Academy (RTSA) is a Los Angeles County Office of Education (LACOE) (www.lacoe.edu) Juvenile Court School. It is sited, as one school, across Camp Scott and Camp Scudder, two adjacent juvenile detention facilities for girls, located in the Santa Clarita Valley and managed by the Los Angeles County Probation Department (Probation Department) (www.probation.co.la.ca.us). According to the school, on an average day, the two camps house between 50 and 100 girls, ages 12 to 19, all under sentences from the Los Angeles Juvenile Court for stays averaging four months. The population changes on nearly a daily basis, with girls completing their sentences (some earning early release) and transitioning back to the community, and other new detainees entering. A significant number have been in detention camp before.

The school was developed by a collaborative group of stakeholders called the Camps Scott/Scudder Pilot School Design Committee (Pilot Committee), organized by LACOE and comprised of teachers, administrators, counselors and staff from the school site and LACOE, as well as representatives from the Los Angeles County Education Association (LACEA), which is LACOE’s teachers’ union, the Probation Department, the Los Angeles County Department of Mental Health and local community advocates and organizers. From its beginnings, the Pilot Committee has received support from LACOE leadership, including the Los Angeles County Board of Education (LACOE Board). For the past fifteen months, the Pilot Committee has been co-chaired by Dr. Ronald Randolph, a retired school district superintendent who serves as special assistant to the Los Angeles County Superintendent of Schools, and Diana Velasquez-Campos, an English Language Learning specialist with LACOE who currently serves as RTSA’s principal.

“We knew we had to do something radically different or we were going to keep losing our kids. They reoffended, returned to camp like a revolving door, and progress in school was challenging. We had to take bold steps,” said Dr. Randolph. “The urgency was pretty clear to everyone involved.” Velasquez-Campos reflected on one of the critical elements that the Pilot Committee decided early on had to be included in any new school format. “The girls had so many needs, and most had suffered such trauma. We knew it would be difficult to get them moving forward

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<sup>1</sup> Published in the *Journal of the Juvenile Court and Community School and Alternative Education Administrators of California*, Spring 2011, Vol. 24, pp. 12-18.

<sup>2</sup> Allison Deegan, Ed.D., is an administrator with the Los Angeles County Office of Education. She has participated on the Road To Success Academy Pilot Committee.

if we didn't attend to their emotional as well as their academic needs," said Velasquez-Campos. "We had to help them heal, and had to focus on the specific needs and challenges of girls and young women who had suffered" she added.

The Pilot Committee struggled for many months to find a school model that would fit the unique population housed at Camps Scott and Scudder. Most of the students at this site face enormous academic challenges. According to site staff, they are credit deficient, perform below grade level and must try to attend and focus on classes while struggling with urgent emotional and psychological issues - many have faced violence, gang activity and crime, physical and emotional abuse, drug use, poverty, homelessness and prostitution.

Members of the Pilot Committee studied and visited alternative school and detention sites around the area and across the country. LACOE Assistant Superintendent Gerald Riley and teacher Brian Christian traveled with a group of Los Angeles County leaders, including Probation Department staff and commissioners, as well as elected officials, to Missouri to review that state's unique small site setting, where counselors and teachers, not probation officers, work directly with youthful offenders.

Christian, who has taught in juvenile court schools for many years, represents LACEA, LACOE's teachers' bargaining unit, on the Pilot Committee. He stated that the concept of forming a pilot school was supported by LACEA President Mark Lewis, a teacher who also has an extensive background teaching in juvenile court schools. Lewis observed the Enhanced School-Based Management program piloted by the Los Angeles Unified School District and believed that a "local management" approach would be a good fit for the school at Camps Scott and Scudder. Christian provided input on the Interest Based Approach, a labor-management approach to leading, and how it might fit into the new school.

Christian said that, under Lewis's leadership, teachers at the site believed they were "experts in educating these students, and that they were willing, eager and capable of driving significant reform." The pilot project was viewed by all as a full partnership that would draw on as many resources as its broad coalition of supporters could provide. Teacher buy-in, necessary to embrace the new responsibilities they would all be asked to shoulder, was a critical early success of the project.

Pilot Committee community member, Belinda Walker, also traveled to observe alternative models. She visited the Maya Angelou Academy, which operates within the New Beginnings Detention Center in Laurel, Maryland. Walker is a board member of Girls & Gangs, ([www.girlsandgangs.org](http://www.girlsandgangs.org)), which provides support and transition services for girls in the juvenile justice system. She has been active on the Pilot Committee from the very beginning.

Committee members reviewed curricular models at charter high schools, private schools and even some unusual public school settings, searching for a way to support robust standards and student engagement, thought to be the best formula that would help these girls get back on track. They were impressed by several school models, including the sites managed by Big Picture ([www.bigpicture.org](http://www.bigpicture.org)), which incorporates student-driven, project-based learning into what it describes as innovative, personalized schools that work in tandem with the real world of the greater community.

Marsha Watkins, LACOE’s Regional Director in the Division of Student Programs, which manages the Juvenile Court Schools, is also a member of the Pilot Committee. She remembers the urgency, and the mandate from stakeholders who allowed a lot of freedom but expected results.

“Our school and the camps had the keen attention of the Los Angeles County Board of Supervisors, in their quest for comprehensive educational reform in the juvenile court schools, and their oversight role of the Probation Department. On the school front, the LACOE Board was deeply concerned about student progress. And the Juvenile Court was demanding programs that addressed recidivism,” Watkins recalled. “We thought that focusing on a discrete population, approximately 100 girls, we could develop something for them and hopefully refine it into a model that would work for other sites in the Juvenile Court Schools system,” she said.

After researching and meeting for many months, members of the Pilot Committee had yet to find a model that fully fit the Scott/Scudder site and population. Thus, they decided to fashion their own, borrowing from some curricular methodologies, such as project-based learning, and some student support practices, such as character-building protocols and healing talking circles, to form the heart of the RTSA approach. The development of the core program was sparked by the concept of respect.

The Committee used input from classroom teachers (many of whom have worked in the Juvenile Court System and at the school site for ten years or more) about what the girls’ greatest challenges were to develop an initial thematic approach titled “Respect for Self, Respect for Others.” This theme informed the development of later program elements that would align classroom curricula and culture to the overall student experience while at camp, both during school and during times when class was not in session.

One of the most critical developments in the process of creating the RTSA was a newfound and deep partnership between the school leaders and faculty of LACOE and their counterparts who lead and manage the camp sites for the Probation Department. The two agencies had not always had effective collaboration. They shared physical space on the site, and shared governmental agency challenges such as fiscal uncertainty, staffing turnover, and the challenges of working on and around a facility that was built in the 1950s and barely had the minimum infrastructure necessary to address the needs of the girls housed there. Both agencies recognized the need for intensive cooperative programming and collaboration.

The work of the Pilot Committee and the advent of the RTSA have ushered in a new era of cooperation between LACOE and the Probation Department. Because Probation Department staff and leadership have participated regularly on the Pilot Committee, they were fully apprised of, and contributed to, the goals of the new school. Probation Department Director for Camps Scott and Scudder, Pauline Starkes, was excited when she heard about the Pilot Committee. Starkes has served as a Probation Department leader for many years. Currently, Starkes is director of both camp sites. As a veteran leader in the Department, she agreed that something different had to be done for the girls at Camps Scott and Scudder. During her participation in Pilot Committee meetings, she commented on the importance of engaging the girls so that the potential of each one of them might be realized.

To that end, Starkes had already implemented a student-centered program at the camp sites. Called “Character Counts,” the curriculum focused on six pillars of character development, one of which was respect. It was seen as a perfect fit for what her school counterparts were developing on the Pilot Committee. At one meeting, she recounted the frequency with which both the girls and the staff expressed feelings of not being respected. The new program held the promise of addressing these concerns for everyone at the site, launching a new era of cooperation.

The Pilot Committee Co-Chairs understood the importance of working in close collaboration with the Probation Department. Not only were both agencies under scrutiny from multiple stakeholders, but both had equivalent oversight for and concern about the girls at Camps Scott and Scudder. “We knew we were in it together,” said Dr. Randolph. “Our board, their board, the Board of Supervisors, the courts, everyone was asking us for a joint solution. There was no room for blame - we had to work together,” he said.

Velasquez-Campos believed that Probation Department staff cared as much about the girls as LACOE’s long-serving faculty and staff. She thought if they left the past history and difficulties outside the room, they could come together as a Pilot Committee and as a two-pronged effort to make positive change for the students.

“We both want them to succeed, while at camp and when they transition back to their communities,” she said. “The job is difficult enough without adding a layer of bureaucratic dysfunction. If we all work together, we can give our girls that much more.”

Faculty on the Pilot Committee, both those who work at the site and others who participate as representatives of LACOE’s teachers’ union, felt that meeting academic standards had to be a foundational component of any new school curriculum. However, they understood that student engagement would be the key. “If they aren’t interested in what teachers are presenting, we lose them in the classrooms and then behaviors start to be an issue,” said teacher Brian Christian. “That being said, we also had to attend to the real concerns of faculty. They needed support as well, in terms of resources, training and the active participation of Probation staff,” he said.

One of the early harbingers of success for the new RTSA program was an activity called “Opening Circles.” Based on healing talking circles found in other camp, school or therapeutic settings, the Opening Circles are designed to provide students with a chance to start the day by talking through any issues that are weighing on them, particularly things that may prevent them from engaging during the school day. Teachers at the site have traditionally contended with this tension during the start of the school day which often prevented instruction from taking place. The Opening Circles were the first facet of the RTSA program to be rolled out, starting in teacher Susan Gibson-Berson’s classroom.

“Opening Circle time has changed the atmosphere in the classroom,” Gibson-Berson said. “We started using the themes from the Character Counts curriculum, which allowed the students and all of the adults, including those from the Probation and Mental Health departments as well as the school, to share and discuss issues impacting the students.” Gibson-Berson observed that students began to look forward to the start of the day, knowing they could share and be heard.

One of the Pilot Committee’s key requests was that Probation Department staff be oriented and participate in the Opening Circles activity. After all, they are the staff who have spent the afternoon, evening and early morning with the students, and they are responsible for transporting them from their dormitories to their classrooms. Committee members believed it would go a long way toward promoting cooperation between the two staffs, and provide a visceral message to students that they were aligned as a team, not two separate authorities that could be played against one another. The instinct was correct and, after some initial concerns, Probation Department staff are active and supportive participants.

Teacher Gibson-Berson recounted an experience where the collaboration came together in a significant way and provided critical support for a student. “What’s happening is that the Opening Circles help us understand what issues are causing problems for the students, and both teachers and Probation staff can respond as partners. One student shared in Opening Circle that she wasn’t sure if she would be able to attend her stepfather’s funeral. Because Probation staff were made aware of the issue, and had the chance to understand the importance of this event for the student, they could follow through and make arrangements before it grew into a larger issue for this girl. In this way, many potential problems are eliminated because of the kind and caring atmosphere,” she said.

As the site began to exhibit a new togetherness, the Pilot Committee worked diligently to develop the curricular program. They settled on a version of project-based learning that allowed students to embrace a topic across the curriculum. Centered on a common theme developed by the faculty, students would pursue individual projects (including presentations and reports) under the guidance of teachers in their new role as project advisors. Teachers and staff met multiple times, hammering out what projects would look like at the site, down to even the smallest details about what kind of materials and portfolio folders students could use and their access to technology for school work, given the constraints of their incarceration.

The goal of the project-based learning approach was to guide and challenge the students to achieve, but also to allow them to express themselves. In addition, this approach had to accommodate some of the other significant goals that the Pilot Committee had for the school, most importantly that it guide students to engage in learning so they could engage in school once they are released from camp.

The new school also had to account for some of the significant academic challenges the RTSA students face, including low reading levels, English language learning, math deficits and unfamiliarity with project work and presentations. Related literature, and a program that focused all students on sustained silent reading (with the support of Probation Department staff who supervise non-school hours) was considered a critical academic support to the project work.

In September of 2010, the new school curriculum and approach was presented to students at a series of school assemblies. At these events, peer leaders who participate on the Probation Department’s Leadership Council were selected to assist in the roll out of the new school. Several weeks later, students voted on the new name, the Road To Success Academy, from a ballot of several suggestions they had submitted in their classroom groups.

The first eight-week project module was centered on the theme “Beauty is in the Eye of the Beholder.” At the conclusion of the first module, students presented their work to their classroom groups. For some, it was the first time they had participated in presentations. After the first module, the Pilot Committee evaluated the progress, developed additional trainings for staff and faculty, and planned the second module, which was focused on the theme of Power. At that point, several stakeholder groups visited the site and received feedback from students during school assemblies. Interim Los Angeles County Superintendent of Schools, Jon Gundry, visited the site in the Fall of 2010 and was escorted by students selected as peer leaders. He has expressed interest and support for the developments at the RTSA.

As the second eight-week module commenced around the Power theme, both LACOE staff and faculty and Probation Department staff began to notice differences in the students and the site. There were fewer behavior issues in class. Students seemed more focused and fully engaged in learning about their themes, and in personalizing their projects. They were particularly interested in their credit status, as that impacts their progress toward placement and graduation. There were fewer fights and incidents of misbehavior on the site. Several teachers reported on the speed with which the students embraced the new school and its curricular approach.

As the RTSA moved forward, refining its approach to project-based learning and a newfound sense of mutual respect and partnership among everyone at the site, the Pilot Committee began to focus on resources. In these challenging budget times, it is not easy to find money for project supplies, professional development, additional staffing to allow for cross-participation and training by LACOE and Probation Department staff, and the computers and other equipment students need to complete their research and projects. Dr. Randolph guided the Pilot Committee to base their plans on what they really needed, and he made a commitment to do everything he could to find the resources.

“If the school and the site were to be transformed into something new, we knew it couldn’t happen without an infusion of new resources. All of the stakeholders supported that investment because we all know how much is on the line. If we don’t get them educated and back into their communities as functioning, contributing students and citizens, it will cost us all that much more in the long run. Better to make the investment now and give the Road To Success Academy what they need,” Randolph said.

Recently, a team at the RTSA received a grant through UCLA to help them expand their professional development and training, specifically to support their expertise in project-based learning. The Pilot Committee hopes it is the first of many external supports to complement the investment that LACOE and the Probation Department have made in supporting the new RTSA and the Camps Scott/Scudder site. They have already benefitted from a commitment to purchase new computers and other supporting technology, as well as provisions to bring in on-site teacher coaches.

This spring, as students at the RTSA completed their second eight-week module of a thematic project-based unit on Power, they presented their final projects to faculty and invited guests in what was called their “World War II Museum Day.” Each classroom was transformed into a museum exhibit with students as curators and docents, guiding guests through their exhibits via

oral presentation and facilitated activities, such as a USO room featuring Andrews Sisters songs and dances from the 1950s, as well as monologues from *The Diary of Ann Frank*.

As guests (including Camp Scott and Scudder probation and mental health staff as well as LACOE officials and others) moved through each classroom/museum exhibit, the students maintained a sense of grace and pride. The sense of ownership that the students displayed over their work, their learning, and their school was powerful. Participant reflections captured after the event referenced the impact on both students and teachers. One teacher stated that “in spite of the behaviors that could have been displayed, my students rose to the occasion and were inspired to share with pride.” Another reflected that the students were “capable, able to accept a challenge and felt proud of their work.” According to Principal Velasquez, one of the students, a teen named Stephanie, reported that working on projects has helped her to focus back on school. It has given her and the other students an opportunity to take ownership over their learning and grow hopeful about the future.

Going forward, the next planned theme focuses on Hope. This is particularly appropriate for the RTSA because it embodies everything the students, faculty, staff and partners are striving for - they aim to heal, inspire, empower and engage all students to do their best, both in class and outside of class, so that they can return to their communities. That transition, one of the most challenging for any agency working with juvenile offenders, requires that each of the students possess a sense of hopefulness about their future. Teacher Christian reiterated the importance of what is called “the transition piece,” stated that the girls of RTSA need that guidance in order to make educational progress and to pursue their future goals. He recounted that it was part of the original discussion of the Pilot Committee and he pushed the issue of transition planning and support because of its importance.

Belinda Walker, one of the Pilot Committee’s community representatives, summed up launch and future of the project this way: “RTSA is a very exciting beginning for what education in juvenile justice facilities could become. It is, however, just the beginning. There is much more learning and growth ahead for all of us. As we build this school, we are also trying to identify schools throughout Los Angeles County who will support our students’ unique educational paths begun at RTSA. Our girls will need strong transition support in the community to build successful lives and identifying supportive schools for them is one of the most critical components of our work,” she said.

The Pilot Committee is also developing a robust assessment protocol, which will include a review of data on academic achievement, personal development and site culture. The goal is to provide stakeholders with as full a picture as possible of the students’ journey through the new RTSA. Dr. Liza Bearman, a LACOE consultant assisting RTSA in faculty professional development, pilot school design and assessment, described the importance of knowing where each student is.

“With the notion of ‘one student at a time’ at the forefront, teachers are conducting both formative (ongoing) and summative (cumulative) assessments, rooted in project-based teaching and learning, in order to determine each individual student’s progress. Our assessment strategy includes teacher feedback on academic and interpersonal/behavioral benchmarks, as well as a good deal of student self-reflection. Both the project-process and the measures of student

learning and growth are personalized in an effort to best support and serve our students,” said Bearman.

The successful launch of RTSA is a story of visionary leadership, agency cooperation, faculty dedication and students who are learning to believe in themselves. While the school is in its early days, it is clear that something positive is happening for all involved. By surveying the landscape and having the confidence to develop a unique school program, taking the time to listen to and understand their students, and forging trust in and respect among site partners, the RTSA team have demonstrated what can happen when everyone contributes their best. The Pilot Committee is certain the students at Camps Scott and Scudder are truly on the road to success.

**EXHIBIT 5**

**ROAD TO SUCCESS ACADEMY  
MISSION & VISION STATEMENTS**

**MISSION**

The Road to Success Academy attends to the unique educational, emotional, social and circumstantial needs of girls in the juvenile justice system. Our school utilizes a project-based learning educational approach to engage students and challenge them to meet and exceed the California core curriculum standards. We employ a thematic, interdisciplinary approach which frames essential questions within discrete learning modules, inviting students to explore content in more direct and meaningful ways. The Road to Success Academy also incorporates daily supportive activities to promote character development, self-esteem and empower young women to make positive choices and behavioral changes, guiding all of them back to their communities and onto the road to success.

**VISION**

The Road to Success Academy inspires and empowers young women to achieve positive change and to re-engage in education and their futures, by equipping them with the tools to face the challenges of the 21<sup>st</sup> Century. These tools, the building blocks of their success, include self-value, character development, honoring knowledge, working to develop skills, and maintaining hope.

The Road to Success Academy strives to realize our vision by centering our school approach, goals and curriculum around five core thematic self-development pathways, leading students toward five core engagement outcomes. All of these vision values intersect to create a frame for success for our students:

Five Core Self-Development Pathways	Five Core Engagement Outcomes
Self-Esteem	Sound Decision Making / Critical Thinking
Empowerment	Creativity
Hope	Knowledge Synthesis
Transformation	Cooperative Learning
New Beginnings	Community Engagement

Guiding our students to develop self-esteem will lead them to empowerment. A sense of empowerment will provide them with the courage to hope. Hope is a critical pillar in the transformation process. A willingness to embrace transformation leads to a journey of new beginnings.

Students who are critical thinkers have the foundation to make sound decisions and explore creative expression and problem solving. They synthesize their learned experience to promote cooperation and community engagement.

The vision of the Road to Success Academy is that all students will embrace our mission and progress along the five core self-development pathways, working to achieve the five core engagement outcomes.

## **EXHIBIT 6                      Road to Success Academy (Scott Scudder Camp) School Description**

### **School Overview**

The primary objective of the school is to have girls become interested in and excited about learning. We do this through curriculum that is:

- Interdisciplinary
- Project-based
- Thematic

The students follow a block schedule as they complete modules of project-based learning, under a common theme that is implemented across the curriculum. Traditional curriculum is presented in a nontraditional way. Educational techniques such as scaffolding are used to guide students of different academic levels to access the new curriculum, make literacy and numeracy gains, and explore career options. Curriculum is standards-based, and is strategically developed to address the gender specific needs of the girls at camps Scott and Scudder. LACOE, Probation and Mental Health collaborate to provide and support a female-responsive learning environment. Working with community partners, the Scott/Scudder program assists girls in becoming positive and productive participants in their community. At Road to Success Academy, we believe that all students can learn and grow. We envision a school with the following components:

#### Program

- A quality project -based learning (PBL) instructional program that is individualized and based on each student's multidisciplinary assessment, high expectations and academic achievement.
- An educational program that enables students to connect critical thinking skills to self-efficacy; that is based on student strengths and supports positive attitudes and behavioral changes.

### **Professional Learning Community**

Through weekly Professional learning Community (PLC) meetings and monthly weekend summit meetings, the joint staffs design cross-curricular, thematic teaching units. With the guidance of a PBL coach, curricular focus, essential questions, standards, project assessments are chosen and corresponding, direct instruction plans are developed. This method ensures that the students receive; standards-based instruction, reinforcement of concept learning across the curriculum, and opportunities to intensely research content concepts to develop projects.

### **Building Relationships**

The school strives to know each student well. To this end, each class starts the day with an opening circle and ends the day with a closing circle. The "circles" are used as an avenue to teach social / emotional skills, community building and character development. Teachers (Advisors) are building closer relationships with students.

### **Appraisal/ School Evaluation & Accountability**

The Appraisal/School Evaluation and Accountability Committee meets to design and plan the various assessment measures for the school. This committee includes members of RTSA's Pilot School Design Committee, representing LACOE, RTSA and other partners (both individuals and organizations). Data to be captured includes both quantitative (assessing students' ELA and math growth) and qualitative (assessing students' social emotional growth). The committee is currently recommending an internal, peer-driven evaluation process at this stage, in order to vet the various tools this committee is either creating or commissioning (including a school-wide assessment rubric measuring the incremental implementation of the pilot school-see attached). At a later phase of RTSA's evolution, this committee will work with external evaluators for additional feedback.

### **Transition**

Transition back into the community is a critical component of student success and is embedded into the goals and mission of the school. Transition planning will include career/vocational guidance and assistance/resources to guide all students along one or more of the four pathways. All stakeholder agencies, including the courts, will participate in individualized transition planning to maximize student success during transition.

EXHIBIT 7

# CAMP COMMUNITY PARTNERS



**A Program of the New Visions Foundation**

**1301 N. Las Virgenes Road  
Calabasas, California 91302  
(818) 222-1192, ext. 229  
fax: (818) 222-1164**

(CCP-formerly New Roads Camp Community Partner, is a program of the New Visions Foundation and New Roads School and operates in accordance with the provision of the Juvenile Justice Crime Prevention Act of 2000 and under the supervision of the Los Angeles Probation Department)

# Philosophy and Mission Statement

Camp Community Partners (CCP) is a skills-based education and reentry program for incarcerated youth, which operates at Probation Camp David Gonzales in Los Angeles County. **The mission of our program is to maximize youths’ chances for a successful community transition, thereby reducing risk for recidivism.**

Our program operates in two phases. Following a comprehensive assessment, the **first, “in camp” phase** includes an array of promising and proven practices geared to enhance educational attainment, social skills, and coping skills among incarcerated youth. The **second, “reentry” phase** consists of individually tailored transition and aftercare services that help youth to integrate their new skills and goals back into their school, community, peer, and family contexts.

Our continuum of programming is connected by five primary objectives:

- Provide youth with multiple opportunities to enhance their educational, social, and coping skills;
- Engage youth in constructive activities that promote creativity and teamwork and reduce inter-group conflict;
- Improve communication between youth, their families, teachers, and probation officers to achieve a coordinated and seamless transition home;
- Assist youth in developing constructive goals for life after incarceration and envisioning a positive future; and
- Provide supportive and skills-based aftercare services to youth in their community and family contexts to help them achieve their goals.

*Our program model is part of the overall New Visions Foundation philosophy and is driven by the following set of core values:*

- **Restore Hope** so that youth can envision a more positive future;
- **Advocate for Fairness** to open up opportunities and break down barriers to success;
- **Provide Alternatives** so that youth can realize their full human potential.

# The Program

## Assessment

The Camp Community Partners program is currently adopting the Youth Level of Service/Case Management Inventory (YLS/CMI), a standardized instrument for use by professionals in assessing a range of risk, need, and responsivity factors in the formulation of a targeted case plan for delinquent youth. The YLS/CMI is based on the evidence-based cored that a careful assessment of clients' risks and needs, followed by a carefully selected dosage of programs that appropriately target these needs, will maximize chances to prevent future antisocial behavior (Hoge & Andrews, 2002).

The YLS/CMI includes two main components; the first is an in-depth standardized assessment interview. This instrument allows our counselors to establish necessary rapport with each client while simultaneously assessing their various risks, needs, and strengths. The instrument also assists in the formulation of case planning goals, including a tailored package of services to meet these individual needs. Our counselors can revisit these case management goals at any time to note progress or to record changes in the clients' case plan or life circumstances.

The second component of the YLS/CMI allows our counselors to assign each youth a composite risk score across multiple domains related to anti-social behavior (i.e., criminal history, family circumstances, education/employment, peer relations, substance abuse, leisure/recreation, personality/behavior, and attitudes/orientation). Our counselors will administer this instrument three times: At intake, at exit from camp, and 6 months post-release. This will allow us to assess our progress with each client, well as to assess in the aggregate, the areas where our program appears to make the most impact.

## Phase I: In-Camp Services

***After a careful assessment of risks, needs, and strengths, our counselors assign youth to a tailored menu of classes.***

The CCP in-camp services are geared to enhance educational attainment, social skills, and coping skills among youth and thereby reduce patterns of criminal thinking and behavior. To this end, we offer empirically supported, promising and proven programs to enhance youths' skills in the following areas:

- In the area of education, our programs are designed to instill a greater appreciation for learning, to enhance traditional academic skills, and to guide youth toward an educational future that includes college. These programs include GED preparation, College Workshops, Employment Workshops, and the Gemstone Strengthening Reading class.
- Our social skills programs involve group activities that enhance youths' abilities to relate cross-culturally, to foster inter-group tolerance, and to promote teamwork. These include such activities as arts programs, theater performances, music classes, poetry recitals and the production of the in-camp newspaper, Behind the Wall.
- Our coping skills programs are geared to reduce stress, manage anger, and promote healthy conflict resolution skills. These include activities that have been shown to promote positive coping skills such as yoga, meditation, arts, and physical fitness.

For each youth, the assigned menu of activities involves one, two, or all three of these areas of focus. The correct dosage (or hours of program service) is determined by individual need, the risk assessment, and the parameters of camp scheduling.

In all of these enrichment activities, we anticipate that students benefit from all of their enrichment experiences by: 1) seeing the product of their labors, 2) receiving praise from authority figures and peers for their positive accomplishments, 3) gaining a new perspective on education and classroom pursuits; 4) following through on a project and their commitments; and 5) eventually building on this positive momentum after they return to the community.

**Outcomes.** Based on prior research and our past successes, we anticipate that youth who complete their participation in their assigned programs will

- Reduce their risk scores in designated areas of concern (measured by YLS/CMI)
- Have a higher chance of passing the GED than the general population of offenders (measured by our own follow-up with the alumni)

### **Phase II: Reentry Services**

Community reentry is the second phase of our program program. It begins in the transition (i.e. 60 days pre-release) phase, when we begin to prepare the young person for transition by connecting them with jobs, school programs, or other community resources, as needed. We offer both transition and aftercare services for youth.

Transition: About 60 days pre-release, all youth who participate in the CCP program are enrolled in a “re-entry academy” that impart practical skills for youth to prepare them for community reentry. This includes information such as how to obtain a driver’s license or find a doctor, as well as emotional preparation around reintegrating with family and peers. The re-entry academy reduces the abrupt transition that many youth face when they leave a secure setting and return to their former homes and communities.

Aftercare: Once youth return to their communities, our YLS/CMI assessment of risks and needs is refined and implemented for phase two. Our counselors then design a series of reentry goals that geared to assist the youth and their family in achieving a successful community transition. Our counselors serve a unique role in the youths’ lives. Whereas juvenile probationers are supervised by a different probation officer in the community than the one with whom they worked in camp, the New Roads’ re-entry counselor follows the youth out of the camp and into his community. For example, our counselors accompany, and often transport, program participants during their initial meeting with their field probation officer. Likewise, the counselors also accompany participating youth on their first visit to a new educational setting, substance-abuse program, transitional housing program, or job-training program. In addition to accompanying youth to important transition events, re-entry counselors attempt to meet a whole host of educational and vocational needs, including providing assistance in enrolling in community college, obtaining financial aid, and counseling youth suspected of drug relapses to begin or resume substance abuse counseling prior to being required to do so by Court action.

**Outcomes.** These services are offered from 6-12 months post community release. The long term outcomes we anticipate (as measured by tracking alumni) are:

- Completion of high school or GED by 75% of eligible program participants
- Entrance into higher education by 50% of eligible program participants
- Successful completion of probation by 90% of program participants
- No new petitions by 90% of program participants

# **EXPANDING THE ROLE OF THE HUB CLINICS At-Risk Children (0-5) and Fragile Youth (18+)**



## **COMMITTEE MEMBERS**

**Jocelyn Keene – Co-Chair**

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# **EXPANDING THE ROLE OF THE HUB CLINICS**

## **At Risk Children (0-5) and Vulnerable Youth (18+)**

### **EXECUTIVE SUMMARY**

In July 2006, the Los Angeles County Department of Health Services (DHS) and the Los Angeles County Department of Children and Family Services (DCFS) partnered to develop the countywide Medical Hub Clinic program to improve health outcomes and care coordination for children under the jurisdiction of DCFS. There are now seven Hub Clinics in operation countywide. Six are operated under the auspices of DHS, and the seventh clinic listed is privately operated. See below:

1. Harbor-UCLA Medical Center
2. High Desert Hospital
3. LAC+USC Medical Center
4. East San Gabriel Valley
5. Martin Luther King, Jr. Medical Center
6. Olive View-UCLA Medical Center
7. Children's Hospital LA (CHLA)

The 2011-12 Los Angeles County Civil Grand Jury initiated an investigation of the Hub Clinic system with the following goals:

- Assessing the feasibility of mandating that all foster children between the ages of 0 and 5 in the Department of Children and Family Services Family Reunification or Family Preservation program use a Hub Clinic as their medical home.
- Assessing the feasibility of providing comprehensive medical and mental health services to medically fragile/vulnerable, Transition Age foster youth age 18 and older at Hub Clinics.

### **SECTION 1. THE MODEL MEDICAL HUB CLINIC**

The seven Hub Clinics in operation provide valuable services to children under the jurisdiction of the Department of Children and Family Services (DCFS), although not all clinics provide the same services. The core services are:

- Initial Medical Examinations for children at the time of their detention by DCFS
- Forensic Evaluations for children who are suspected victims of abuse or neglect
- Age-appropriate mental health screenings

Additional services offered by some of the Hub Clinics include:

- Ongoing mental health services
- Ongoing primary medical care
- Dental screening
- Nutritional evaluations

- Mentoring and tutoring services
- Fetal alcohol diagnosis
- Parenting and health education

One of the Hub Clinics offers services after hours and on weekends; the others operate only during business hours on weekdays.

All of the medical providers at the Hub Clinics are specially trained in detecting child abuse and neglect and are affiliated with larger networks of medical providers either at County or private medical facilities that offer a team of pediatricians and pediatric specialists. They are well poised to serve as “medical homes” to children under the jurisdiction of DCFS, providing and coordinating medical and related care.

All the Hub Clinics offer specialized services to children that have been abused and/or neglected. However, not all offer coordinated mental health or other ancillary services. The seven Hub Clinics, all located in large medical complexes, are not easily accessible for many caregivers throughout the County and some have limited physical capacity. While DCFS requires that Hub Clinics be used for mandated Initial Medical Examinations when children are first detained, ongoing use of the clinics cannot be required by law. Hub Clinic services for detained youth are reimbursed by Medi-Cal, but services to non-detained youth are reimbursed at a much lower rate.

Serving more children under the jurisdiction of DCFS would require additional medical positions and possibly capital improvements for the Hub Clinics to absorb the additional medical visits. However, increased operating costs would be mostly reimbursed by Medi-Cal, at least for detained youth.

For youth under the jurisdiction of DCFS who are treated at a Hub Clinic, the Hub Clinics could serve as a “medical home” by maintaining their medical records and ensuring that they are made available to other Hub Clinics if child placement changes occur.

For youth who are treated by community providers, DCFS Children’s Social Workers should be delegated responsibility for ensuring that these youth continue to have a medical home regardless of changes in their medical providers. DCFS Management should monitor the CSWs efforts in this regard. The CSWs should also be responsible for reviewing the results of examinations and identifying and reporting suspected cases of child re-abuse and/or neglect.

## **SECTION 2. STANDARDIZING THE HUB CLINICS**

Staffing does not appear to be optimized at the different facilities. Not only do services provided at the Hub Clinics vary, the utilization, number and mix of staff positions, costs and the ability to provide ongoing care and serve as a medical home are inconsistent across the seven Hub Clinics. As a result, children in different areas of the County do not receive the same type of services at the clinics, depending on where they live or are placed.

DHS and DCFS have not yet established standards on staffing, resources, service levels, and costs per patient visit at the Hub Clinics. Some Hub Clinics appear to be providing more ongoing care (i.e., primary medical care) than others.

The Department of Health Services (DHS) has recently assigned a Medical Director to oversee and manage all of the County-operated Hub Clinics. Establishing countywide goals and consistent service level objectives for the Hub Clinics and allocating and managing resources accordingly should be key elements of this position's responsibilities.

### **SECTION 3. DCFS ACCOUNTABILITY**

Hub Clinics schedule appointments for youth referred to them by DCFS. When patients miss a scheduled appointment, they contribute to the missed appointment rate. In FY 2010-11, there were 6,822 missed appointments out of 29,743 total scheduled appointments, or a missed appointment rate of 23 percent, across all seven Hub Clinics. There is no data available on whether these patients obtained their medical services subsequently at the same clinic, through another Hub Clinic, at a community provider, or not at all. Further, an analysis showed that 54 percent of patients who missed their Forensic Evaluation appointments at the LAC+USC Hub Clinic during one month did not schedule a new appointment there within that month.

These statistics illustrate that the DCFS mandate for all newly detained youth to receive Initial Medical Examinations at Hub Clinics is not completely enforced, but they also highlight a risk of inefficient and ineffective use of Hub Clinic staff resources as well missed opportunities to serve other youth under the jurisdiction of DCFS.

Hub Clinics lack sufficient resources to follow up on no-shows and reschedule appointments, as well as referrals to medical specialists and/or mental health services. Therefore, follow up should be conducted by DCFS staff, as consistent with existing DCFS policies and procedures.

A majority of the referrals for Forensic Evaluations are for non-detained youth. Timely Forensic Evaluations for non-detained youth at Hub Clinics with medical providers that have specialized training in detecting abuse and neglect could help to reduce the risk of re-abuse and, possibly, the number of child deaths among open DCFS cases in which the youth is placed in-home with their alleged abusers.

Systematic referrals by DCFS and access to outpatient mental health services for non-detained youth and their parents for a period of six months after the non-detained youth first enters the child welfare system may help prevent further abuse and neglect for this population.

### **SECTION 4. MENTAL HEALTH SERVICES THROUGH DMH**

The Department of Children and Family Services (DCFS) has mandated that youth in the child welfare system receive a mental health screening or assessment and referral to mental health services in a timely manner as required by the County's Katie A. law-

suit settlement. However, DCFS has created two separate systems by which a detained youth can receive such services: the Multidisciplinary Assessment Team (MAT) Assessment Program through its collaboration with the Department of Mental Health (DMH), and the Initial Medical Examinations at the Hub Clinics. MAT Assessments are conducted by community based organizations contracted by DMH (known as MAT Providers); Hub Clinic staff conduct the other mental health screenings.

Though they have similar purposes, the MAT Assessment process and the Initial Medical Examinations at the Hub Clinics may use separate sources of medical information for the assessment of a youth, sometimes have incompatible timelines, generally use different mental health screening tools, and have access to different providers for ongoing mental health services. Greater linkage between the two processes is needed for Hub Clinics to ensure that youth are receiving mental health services, and reduce duplication of efforts. Such integration should be developed by DCFS, DHS, and DMH, with input from MAT Providers and Hub Clinic staff.

The availability of mental health providers varies among the Hub Clinics. Affiliated organizations of the LAC+USC and Children’s Hospital Hub Clinics serve as MAT Providers and offer mental health services under contract with DMH. The rest of the Hub Clinics provide less availability for DMH-contracted mental health services.

Non-detained youth ages 0-5 and their parents and families could benefit from ongoing mental health services when they participate in collateral treatment, i.e., therapy that treats both the parent(s) and child.

## **SECTION 5. TRANSITION AGE YOUTH SERVICES**

Youth transitioning out of foster care are at risk for high rates of homelessness, as well as mental health, physical, and developmental problems. For example, 27 percent of the nation’s homeless population have spent time in foster care, while youth emancipating out of foster care have a one in six chance of being homeless within one year.

With the passage of extended foster care services through Assembly Bill 12, as of January 1, 2012, youth under the jurisdiction of DCFS who previously would have been required to emancipate from the child welfare system may now remain in the system until age 21, as long as they meet certain criteria. Therefore, Transition Age Youth ages 18 to 21 years old could continue to use Hub Clinics for medical and mental health needs.

A majority of the Hub Clinics currently do not provide medical services to youth under the jurisdiction of DCFS who are 18 years old or older. Youth that are medically fragile/vulnerable currently receive medical services from specialized medical providers and clinics throughout the County. The Hub Clinics could serve as their medical home by coordinating services among the various specialized medical and mental health providers, as long as they are within the same hospital system.

Only Children’s Hospital LA (CHLA) offers an adolescent clinic that provides medical and mental health services targeted toward youth age 12 to 21 years old. However, LAC+USC has plans to expand its Children’s Medical Village to include medical ser-

vices for adults, particularly Transition Age Youth age 18 and older, including access to Adult Protective Services social workers.

## INTRODUCTION

The 2011-12 Los Angeles County Civil Grand Jury (CGJ) initiated this investigation to assess the feasibility of the following goals:

- Mandating that all foster children between the ages of 0 and 5 in the Los Angeles County Department of Children and Family Services Family Reunification or Family Preservation program utilize a County Hub Clinic as their medical home.
- Providing comprehensive medical and mental health services at County Hub Clinics to medically fragile/vulnerable, Transition Age Youth (TAYs) aged 18 and older in foster care.

In accordance with these objectives, this report analyzes the services provided at all of the Hub Clinics to foster children, as well as the support and administrative services provided by multiple County agencies, including the Department of Children and Family Services, Department of Health Services, and Department of Mental Health.

## METHODOLOGY

This investigation was performed in two phases: Phase 1 involved an initial assessment of the Violence Intervention Program and related programs for children 0-5 and vulnerable Transition Age Youth (TAYs); Phase 2 consisted of detailed field work investigating the feasibility of replicating and/or expanding programs now offered or planned for the future by the Violence Intervention Program and related agencies for the target populations. Specific field work activities included:

- Entrance conference with representatives from the LAC+USC Hub Clinic, the Department of Children and Family Services (DCFS), the Department of Health Services (DHS) and the Department of Mental Health (DMH).
- Compilation of data on target populations and current services from DCFS, each of the Hub Clinics from DHS, and the Violence Intervention Program (VIP).
- Site visits and interviews with medical directors and/or staff at each of the Hub Clinics.
- Interviews with key County managers responsible for foster youth services at DCFS, DMH, and the Juvenile Dependency Court to identify impediments to mandating that target populations utilize Hub Clinics during their duration in the child welfare system.
- Interviews with County Counsel regarding the legal issues of a mandate on target populations to utilize Hub Clinics during their time in the child welfare system.
- Compilation of financial information such as costs and revenues for each of the Hub Clinics and an evaluation of the financial impacts of expanding certain Hub Clinic services.
- Draft copies of the report were reviewed with each of the responsible departments.

## **SECTION 1. THE MODEL MEDICAL HUB CLINIC**

In July 2006, the Department of Health Services (DHS) and the Department of Children and Family Services (DCFS) partnered to develop the countywide Medical Hub Clinic program to improve health outcomes and care coordination for children under the jurisdiction of DCFS. Over time, some Hub Clinics have distinguished themselves from their counterparts by providing additional services to these children. This section of the report describes the core services available at all the Hub Clinics as well as other services available at some of the Hub Clinics, and provides recommended alternative approaches to expanding some of the benefits of the Hub Clinics.

### **Core Services Available at the Medical Hub Clinics**

The core services available at all seven Hub Clinics include “Initial Medical Examinations”, “Forensic Evaluations” and “age-appropriate mental health screenings”, as described below.

Initial Medical Examination – This is a medical examination that, by law, must occur when a child is first placed under DCFS supervision. It consists of: 1) a review of the child’s health history (when available); 2) a physical examination; 3) forensic screening (to determine if an expert Forensic Evaluation is needed); 4) measurements such as height, weight, body mass index and blood pressure; 5) nutritional assessment; 6) dental screening; 7) developmental screening (may be deferred to follow-up appointment at the Hub Clinic); 8) vision and hearing testing; 9) laboratory screening tests; 10) immunizations; and 11) appropriate health education.

Forensic Evaluation – This is a medical examination for the assessment of suspected physical abuse, sexual abuse, or neglect. It may include: 1) a physical examination and clinical assessment to determine the presence and extent of any injuries or signs of neglect; 2) provision of clinical care for all injuries and effects of neglect, including old injuries that may not be clinically obvious, and initiation of appropriate treatment; 3) evidence collection including evidence of sexual assault, sexually transmitted diseases, and photo documentation of all injuries (including sexual assault injuries); 4) interpretation of physical findings regarding the likelihood that they are the result of abuse or neglect; and 5) forensic interview, if needed.

Age-Appropriate Mental Health Screening – This is a mental health screening to identify the need for a more comprehensive mental health assessment and/or ongoing mental health services. According to DCFS policy, each Hub Clinic must complete an age-appropriate mental health screening by use of one of two Child Welfare Mental Health Screening Tools, one for children 0-5 years of age and another for children ages five years to adult.

### **Other Services Available at the Hub Clinics**

As previously mentioned, some Hub Clinics have distinguished themselves from their counterparts by providing additional coordinated services to children under the jurisdic-

tion of DCFS. These include mental health services onsite and/or offsite, primary medical care services, and after-hours services, as described below.

Mental Health Services Onsite – Hub Clinic management and staff from various Hub Clinics advised the CGJ that while some children are able to cope with traumatic experiences<sup>1</sup> with the support of their family and through their own resilience, others need additional services, namely mental health assessment and treatment.

Our investigation revealed that three Hub Clinics provide mental health services for children at the time of their Initial Medical Examinations and/or Forensic Evaluations: 1) LAC+USC; 2) the East San Gabriel Valley satellite; and 3) Children’s Hospital LA.

The LAC+USC Hub Clinic, also known as the Community-Based Assessment and Treatment Center, is part of the Violence Intervention Program (VIP) at the LAC+USC Medical Center. It provides immediate “crisis intervention” for children at the time of their Initial Medical Examinations and Forensic Evaluations. A team from the VIP Community Mental Health Center (adjacent to the LAC+USC Hub Clinic) is onsite to perform emergency mental health assessments and treatments.

By way of background, in 2001 the Violence Intervention Program established the VIP Community Mental Health Center as a 501(c)(3) non-profit organization to provide mental health and support services to victims of family violence, neglect, and sexual assault.

The LAC+USC Hub Clinic may refer children to the VIP Community Mental Health Center for ongoing outpatient mental health services. Each child is assigned an individual therapist. Because the VIP Community Mental Health Center often sees multiple children in one household, siblings are assigned separate therapists. Treatment plans are created collaboratively with the child and other significant individuals within the child’s support network. Collateral supportive therapy for non-offending caregivers is also offered. Additionally, LAC+USC may provide case management and referrals to children and families to receive mental health services through community providers.

As a satellite to the LAC+USC Hub Clinic, the East San Gabriel Valley Hub Clinic (ESGV) also provides mental health services for children at the time of their Initial Medical Examinations (Forensic Evaluations are performed at the LAC+USC Hub Clinic). A team from the VIP Community Mental Health Center is onsite to perform emergency assessments and treatment. One member of the team is dedicated exclusively to ongoing therapy focused on children’s mental health wellness.

The Children’s Hospital LA (CHLA) Hub Clinic is part of a private hospital not operated by DHS. It employs a mix of staff to provide medical and mental health services for chil-

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<sup>1</sup> Traumatic events can include witnessing or experiencing physical or sexual abuse, violence in families and communities, loss of a loved one, refugee and war experiences, living with a family member whose caregiving ability is impaired, and having a life-threatening injury or illness.

dren at the time of their Initial Medical Examinations (Forensic Evaluations are performed at the main hospital).

At the Initial Medical Examination, a child receives a physical examination and a mental health screening to determine the child's need for mental health services. The CHLA Hub Clinic uses a mental health screening that is more comprehensive than the screening required by DCFS. At CHLA, screenings are administered by a mental health professional, as opposed to a member of the nursing or administrative staff, as is the case at the other Hub Clinics. This could in part explain why the CHLA Hub Clinic had the second highest percentage (79.2%) of positive results (indicating additional mental health services are needed) from screenings administered at all the Hub Clinics in FY 2010-11 (see Table 2.7).

The CHLA Hub Clinic may refer children to specialized mental health programs onsite or offsite to serve their ongoing mental health needs. For instance, CHLA's Early Childhood Program provides mental health evaluations and therapy for children ages 0-5, while the Child and Family Program, also located at the CHLA Hub Clinic, provides mental health assessments, therapy, and medication support for children between the ages of 6-13. Both programs offer collateral therapy for caregivers.

A separate program at CHLA, separate from the Hub Clinic, addresses the needs of adolescents between the ages of 12-21 through mental health assessments, therapy, counseling, and medication support. These specialized services for adolescents and Transition Age Youth are not currently offered at the County-operated Hub Clinics.

A planned new Children's Medical Village at LAC+USC, to be coordinated by the Division of Pediatrics and discussed further in Section 5 of this report, should also offer opportunities for mental health and other specialized services for medically fragile/vulnerable Transition Age Youth aged 18 and older. Intended initially to provide ongoing pediatric and subspecialty services for youth when it opens in 2012, the Director of the facility is endeavoring to secure additional funding that will allow for providing services to adults, including Transition Age Youth. Funding for this expansion has not yet been secured.

It is important to note that all the Hub Clinics can make referrals for mental health services to public and private providers in the community, and at least four reported doing so: 1) Harbor-UCLA; 2) High Desert; 3) Olive View-UCLA; and 4) LAC+USC (when the youth is not living within the Hub Clinic's catchment area). This is in addition to the fact that Hub Clinics report the results of mental health screenings to the Department of Mental Health Services and the Department of Children and Family Services, who may independently make referrals for mental health services for children that have positive screenings (meaning additional mental health services are needed).

Primary Medical Care Services – The American Academy of Pediatrics developed the “**medical home**” model for delivering accessible, coordinated, and comprehensive primary care to all children and youth, including children and youth with special health care needs. In fact, this is supposed to be one of the purposes of the Hub Clinics, according

to the Memorandum of Understanding (MOU) between DHS and DCFS. The Memorandum states:

As capacity permits, the Medical Hubs may provide follow-up medical care for children with identified or complex medical needs which would benefit from management by a Medical Hub. This may include serving as a medical home for some DCFS involved children.

Hub Clinic management and staff at four Hub Clinics indicated that their clinics indeed serve as medical homes for some children under the jurisdiction of DCFS, particularly for children detained in foster care. These clinics include: CHLA; ESGV satellite; High Desert; and the LAC+USC Hub Clinics.

Staff at the other three Hub Clinics (Harbor-UCLA, MLK, and Olive View-UCLA) indicated that they do not have the capacity to provide follow-up medical care for children beyond their Initial Medical Examinations, Forensic Evaluations, and mental health screenings, though they recognize the importance of and need for such care.

The extent to which the aforementioned four Hub Clinics serve as medical homes for youth under the jurisdiction of DCFS is not well documented. DHS maintains statistics on the number and type of patient visits at the Hub Clinics, but they do not include a category to report the number of patient visits for ongoing care. There are categories for “Follow-up” and “Other” patient visits, which reportedly include visits for ongoing care but, unfortunately, these statistics do not distinguish visits for ongoing care versus those that are visits following up on Initial Medical Examination or Forensic Evaluations. Table 1-1 below shows follow-up visits and other patient visits at the Hub Clinics in FY 2010-11.

**Table 1-1. Follow-up care at the Hub Clinics<sup>1</sup>**  
(FY 2010-11)

	ESGV <sup>2</sup>	H-UCLA	HD <sup>2</sup>	LAC+USC <sup>2</sup>	MLK	OV-UCLA	CHLA <sup>2</sup>	Total
Follow-up/ other visits	642	808	1,125	2,232	1,197	855	237	7,096
Total visits	1,829	2,424	2,279	10,603	3,052	1,936	798	22,921
Follow-up % Total	35%	33%	49%	21%	39%	44%	30%	31%

Source: Department of Health Services

<sup>1</sup> ESGV = LAC+USC East San Gabriel Valley Satellite (MacLaren), H-UCLA = Harbor-UCLA Medical Center, HD = High Desert Multi-service Ambulatory Care Center, LAC+USC = LAC+USC Medical Center, MLK = Martin Luther King, Jr. Multi-service Ambulatory Care Center, OV-UCLA = Olive View-UCLA Medical Center, CHLA = Children’s Hospital Los Angeles (private hospital, not operated by County Department of Health Services)

<sup>2</sup> Serves as a Medical Home for some children

As seen in Table 1-1, follow-up and other visits comprise only 31 percent of all Hub Clinic patient visits. Of the four Hub Clinics that indicated they serve as medical homes for some youth, the High Desert Hub Clinic had the highest percentage of follow-up visits at 49 percent, followed by, in order, the ESGV, CHLA and LAC+USC clinics. These

percentages are an overstatement of any ongoing medical care since they capture follow-up care that is not related to primary medical care, such as follow-up care related to Initial Medical Examinations, Forensic Evaluations, and mental health screenings.

As shown in Table 1-1, other patient visits at the three clinics that expressly do not provide ongoing medical care (Harbor-UCLA, MLK, and Olive View-UCLA) are approximately the same as or higher than those that do. One conclusion from this data is that very few patients are being seen on an ongoing basis at the Hub Clinics, except at High Desert where it was confirmed in interviews that a number of children come to the clinic for their ongoing care. A number of the other clinics indicated that they are not providing ongoing care to many children. An exception was the ESGV satellite where management reported that they provide primary care to one-fourth of their clinic's patients. For additional information about the number and types of patient visits across the Hub Clinic system, see Section 2 of this report, "Standardizing Hub Clinics".

A recurring problem for many of the youth under the jurisdiction of DCFS is that their medical records and history are often not readily available for medical care providers at the Hub Clinics or elsewhere. For detained youths, having been removed from their homes, in some cases under emergency circumstances, often means that medical records have not been obtained and provided to the child's new caregiver. Exacerbating this problem is the frequency with which detained youth change placements, increasing the possibility of records being lost or never transmitted. DCFS records show that changes in placement are very common for detained youth and placement changes occur more frequently the longer the youth are detained and the older they are.

After Hours Services – Staffing at the Hub Clinics after hours is limited to LAC+USC where services are available 24 hours a day, seven days per week. Mental health services at LAC+USC, however, are provided only from 6 A.M. to 10 P.M.

Staff at the LAC+USC Hub Clinic advise that they do not have data on the number of children under the jurisdiction of DCFS who receive services after hours (i.e., between 5 P.M. and 8 A.M.) and on weekends. However, they stated that most services provided after hours are Forensic Evaluations, and that on any given week day, 12-14 Forensic Evaluations are performed after hours, and that on any given weekend day, 8-10 Forensic Evaluations are performed. An unspecified portion of these weekend evaluations is done after hours.

Staff explained that the LAC+USC Hub Clinic is busier on week nights than weekends because many DCFS Children's Social Workers make their referrals for Forensic Evaluations at the end of the business day (Monday-Friday), and therefore, many Forensic Evaluations occur after hours. Meanwhile, a smaller group of DCFS emergency responders work weekends and make a proportionately smaller number of referrals during weekends. This is probably the reason the number of Forensic Evaluations during after-hours on weekdays (12-14) is greater than the number of Forensic Evaluations throughout the day on weekends (8-10), as described above.

Staff at Olive View-UCLA and High Desert indicated that they are considering staffing their clinics after hours. They suggested that there may be a need for services during evening hours, but not necessarily for 24/7 services.

Additional Services – Along with mental health services, LAC+USC provides additional services including dental screening and referrals, nutritional evaluations, mentoring and tutoring services, health and parenting education, and fetal alcohol diagnosis and support services. The Harbor-UCLA Hub Clinic also reported having a dental clinic and offering nutritional counseling, among other special programs supported by grant funding. The remaining Hub Clinics presently do not offer the same array of services though, as discussed above, Children’s Hospital LA also offers coordinated mental health services on site.

### **Specialized Training of Hub Clinic Staff**

A key feature of the Hub Clinics is that the medical providers are specially trained in detecting and evaluating child abuse and neglect. This means that, in addition to providing needed medical and ancillary services, the clinics can also serve a preventive function by detecting instances of abuse or neglect that might otherwise go undetected if the child is seeing an outside provider without specialized training in this field. Since situations of abuse and neglect do occur for some youth after they are detained and under the care of foster parents, group homes, and foster family agencies, there would be benefits to having some or all detained youth under the jurisdiction of DCFS seen at least periodically at a Hub Clinic.

As discussed in Section 3 of this report, “DCFS Accountability”, some children under the jurisdiction of DCFS who remain in their homes (non-detained youth) are especially vulnerable to situations of re-abuse and neglect as evidenced by the fact that their death rate while under the jurisdiction of DCFS is higher than the rate for detained youth who are in an out-of-home placement such as a foster family. (See Table 3.3.) Again, there would be the same advantages to using the Hub Clinics for these youth as described above.

Not only are the Hub Clinic providers specially trained in child abuse and neglect, they are all affiliated with larger networks of medical providers either at County or private (in the case of CHLA) medical facilities that offer a team of pediatricians and pediatric specialists. These networks of providers put the Hub Clinics in an advantageous position, especially for DCFS youth who have medical conditions that necessitate the service of specialists. The segment of the DCFS youth population designated as medically fragile, for example, is a group that would benefit from Hub Clinic services by having access to specialists at the County’s hospitals and medical clinics. The medically fragile youth are defined as those with special needs due to a mental health diagnosis, developmental delay or a physical or medical condition that requires specific care such as diabetes, asthma, or an inability to feed oneself. Additionally, medically fragile youth who are 18 or older and are aging out of foster care would benefit from Hub Clinic services to provide continuity of care.

## Expanding Services and Use of Medical Hub Clinics

There are many potential advantages and additional services available for foster youth using Hub Clinics for their ongoing care, as described above. Some disadvantages of using the Hub Clinics as presently organized and configured are that mental health and other ancillary services described above are not provided at all clinics, there are capacity constraints at some of the facilities, and there are only seven Hub Clinics serving the entire County, each located at large medical complexes. As a result of these limitations, the benefits of the clinics are not and cannot be realized by much of the DCFS youth population. Also, since caregivers may be satisfied with the medical care the youth under their care are receiving from their local community providers, they may have no interest in changing to a Hub Clinic, particularly at a location that is difficult to access.

### Expansion Possibilities

Due to federal Medicaid and Medi-Cal legal restrictions, it is not feasible to mandate that youth under the care of DCFS receive ongoing medical care at the Hub Clinics. However, in the interest of ensuring that as many youth under the care of DCFS as possible benefit from the Hub Clinics, DCFS and DHS should consider the following:

1. Expanding all Hub Clinics so that a consistent set of multi-disciplinary services and medical home capabilities are available at all facilities.
2. Requiring through court orders or by DCFS policy that certain vulnerable populations of DCFS youth receive their regular medical care at a Hub Clinic, or, if that is not feasible for their caregivers, requiring that their medical care be provided by a community provider with that care overseen by DCFS and the court. These high risk populations include:
  - children between the ages of 0-5
  - non-detained youth who remain with their families while under DCFS jurisdiction
  - medically fragile Transition Age Youth aged 18 and older
  - those at risk of re-abuse due to multiple placements
3. Launching a public education campaign to encourage and assist non-Hub Clinic physicians who serve these vulnerable youth to complete and return the DCFS 561(a) form to DCFS Children's Social Workers (CSWs) and the court. The presence of Form 561(a) in each child's case file should allow for continuity of medical care and serve as a complete repository of medical information for each child.
4. Establishing a management mechanism at DCFS to hold CSWs accountable and support their efforts in obtaining and maintaining complete medical records from Hub Clinics and community providers for all youths under DCFS jurisdiction, so their records can be monitored and given to other medical providers. A DCFS release to staff dated March 25, 2011 and interviews with DCFS and Hub Clinic

staff indicate that getting the records and 561(a) forms from non-Hub Clinic medical providers is a problem.<sup>2</sup>

5. Guiding and educating more caregivers about the benefits of the Hub Clinics for their youth's ongoing medical care.

### Medical Home

For youth under the jurisdiction of DCFS who are taken to a Hub Clinic for Initial Medical Examinations and subsequent medical care such as annual or bi-annual checkups, the Hub Clinics should serve as a medical home by maintaining each child's complete medical records and ensuring that the records are made available every time there is a change in Hub Clinics or change in community medical provider, such as when a child's placement is changed and a different Hub Clinic or community provider is used.

For youth under the jurisdiction of DCFS who receive their medical care from community providers (selected by their caregivers), DCFS CSWs and the court should continue to serve in oversight roles, reviewing the results of examinations and reporting suspected cases of abuse and neglect to the Hub Clinics and ensuring that each youth under the jurisdiction of DCFS has a medical home.

Youth that have critical medical conditions or have multiple caregivers that reside in different parts of the County or have different preferences for community providers would benefit from having one of the Hub Clinics serve as his/her medical home. This would ensure a central location for medical information and a coordination of needed services. To the extent that Hub Clinics do not serve as medical homes for these target populations, DCFS should take responsibility for ensuring that each child under their jurisdiction has a medical home, either at a Hub Clinic or other medical providers.

### **Staffing and Financial Impact of Expanding Hub Clinic Services**

#### Staffing

Table 1-2 shows the estimates of additional patient visits per year and additional medical positions that would be needed to establish medical homes for several different populations of patients under DCFS care. Based on data provided by DCFS, approximately 4,000 youth age 0-5 years old were referred to DCFS and detained (removed from their home) in FY 2010-11. If these youth obtained services from a Hub Clinic an average of two times a year, this would result in an additional 8,000 patient visits distributed across all of the Hub Clinics. It is assumed that expanding services for all detained youth age 0-5 would result in 8,000 patient visits per year in addition to the ap-

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<sup>2</sup> DCFS FYI Release: "Obtaining Assistance in Completion of the DCFS 561(a), Medical Examination Form, by Health Care Providers", Issue 11-07, March 25, 2011. This release requested that CSWs document the nature of the problems in obtaining these forms and information (e.g., providers want to use alternative forms, providers want payment for their time spent completing the forms, etc.).

proximately 22,921 patient visits per year at all Hub Clinics (see Table 2-1), an increase of 35 percent.

As discussed in Section 2, “Standardizing Hub Clinics”, the average number of patient visits per medical position, defined as nurses and physicians, was 416 per medical position in FY 2010-11 for all Hub Clinics. However, two of the clinics averaged approximately 600 medical visits per year per medical position. This higher ratio should be feasible at all Hub Clinics. As an example, with this ratio and an estimated 8,000 additional patient visits per year if all detained youth ages 0-5 under the supervision of DCFS are required to use the Hub Clinics as medical homes, it is estimated that an additional 13 medical positions would be needed at the Hub Clinics to meet the additional demand for services. Additionally, some capital expenditures for additional space or a shift in resources such as staffing may be required to ensure that each of the Hub Clinics have the capacity to absorb an additional 8,000 patient visits per year.

However, it should be noted that some of the Hub Clinics are currently serving less than the average 416 patient visits per medical position. Therefore, these clinics should have the capacity to absorb additional patient visits and the 13 additional medical positions would be a higher estimate than needed.

**Table 1-2. Estimated Patient Visits and Additional Medical Positions Required for Alternative Approaches to Expanding Services**

Population	Actual Visits in FY 2010-11	Additional Patient Visits <sup>2</sup>	Additional Medical Positions
All Detained Youth Age 0-5	4,000	8,000	13.3
Medically Fragile <sup>1</sup> Youth Age 0-5	411	3,288	5.5
Medically Fragile <sup>1</sup> Transition Age Youth Age 18+	129	1,032	1.7
Multiple Placement <sup>3</sup> Youth Age 0-5	2,441	4,882	8.1
Multiple Placement <sup>3</sup> Youth all ages	9,616	19,232	32.0

Sources: DCFS and Center for Social Services Research, University of California Berkeley

<sup>1</sup> Medically Fragile is defined as those with special needs due to a mental health diagnosis, developmental delay or a physical or medical condition that requires specific care such as diabetes, asthma, or an inability to feed oneself.

<sup>2</sup> Additional Patient Visits for all detained youth age 0-5 and youth with multiple placements were estimated based on the assumption that each patient would go to the Hub Clinics two times per year after his/her Initial Medical Exam (IME). The Additional Patient Visits for the Medically Fragile youth were estimated based on the assumption that each patient would go to the Hub Clinics up to eight times per year after his/her IME.

<sup>3</sup> Multiple Placement refers to youth who have changed placements more than 2 times while under the supervision of DCFS.

### Financial Issues

Medi-Cal reimbursement rates for “detained” youth (youth who have been removed from their homes) under the jurisdiction of DCFS are higher than regular Medi-Cal rates. They are classified by DHS as “Cost Based Reimbursement Clinic” (CBRC) rates and are set for each Hub Clinic separately, based on each clinic’s annual costs divided by its annual number of patient visits. For example, in FY 2010-11, the CBRC rate for the

LAC+USC Hub Clinic was \$561.82.<sup>3</sup> These rates are unique to Los Angeles County and were established in the 1990s through negotiations with Medi-Cal officials and should offset most, if not all, of the additional costs of hiring or reassigning medical positions to the Hub Clinics and physical expansion of Hub Clinics to absorb additional patient visits.

Regarding “non-detained” youth, an impediment to the Hub Clinics providing more services is that they are not reimbursed by Medi-Cal on a fee-for-service basis. The non-detained youth are most likely covered by either their parents’ or guardians’ managed care Medi-Cal coverage which, at best, only reimburses the Hub Clinics for a fraction of their costs, or their private insurance which generally only provides reimbursement to providers in their preapproved networks.

LA Care is a public health plan financed, in part, by Medi-Cal, providing low or no-cost health insurance to the uninsured low-income population of LA County. DHS and DCFS should explore options of utilizing LA Care managed care to get reimbursed for providing services to some youth. If the Hub Clinics were authorized as eligible providers under LA Care, services provided to non-detained youth enrolled in LA Care could be reimbursed. Although reimbursement for non-detained youth would be at a lower rate than the Cost-Based Reimbursement Clinic rates that cover detained youth, this reimbursement would at least help defray some of the costs for serving the non-detained population at the Hub Clinics. DHS is currently negotiating an agreement with LA Care to increase reimbursements for Initial Medical Examinations and Forensic Evaluations for newly detained youth at the Hub Clinics. A similar agreement could be developed to ensure care for non-detained youth, some of whom are at risk of re-abuse or neglect and are not likely to use the Hub Clinics at present.

Title IV-E of the Social Security Act pays the cost of maintaining eligible children in foster care. Historically, Title IV-E has not provided jurisdictions with funding to support programs other than foster care. However, through recent Title IV-E Waiver agreements<sup>4</sup>, some states and counties, including Los Angeles County, have been able to use Title IV-E funds more flexibly for services that support vulnerable children under the jurisdiction of DCFS who remain in their homes and to expedite permanent placements for children who cannot be reunified with their birth parents. DCFS officials should consider applying for additional waiver funds to pay for expanding Hub Clinic services to non-detained youth who remain in their homes while under DCFS jurisdiction.

DCFS could also refer non-detained youth for ongoing medical services at the LAC+USC Children’s Medical Village once it is operational. According to LAC+USC Hub Clinic staff, LAC+USC could receive reimbursement for subspecialty services from private insurance as well as Medi-Cal fee-for-service patients. Additionally, LAC+USC cur-

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<sup>3</sup> Current CBRC Interim Rates, FY 2010-11 provided by Department of Health Services, County of Los Angeles.

<sup>4</sup> The Title IV-E Child Welfare Capped Allocation Demonstration Project (Waiver) funds are additional revenues available to DCFS to spend on both eligible and non-eligible children and families, and payments for services that are not allowed under the current Title IV-E regulations. The funds are to be used for the expansion and improvement of existing child welfare practice, programs and system improvement.

rently has agreements with Medi-Cal managed care programs, such as LA Care for reimbursement for the subspecialty services that would be offered at the Children’s Medical Village.

CHLA is a special case because it is not a County facility. The pediatric clinic at the CHLA main hospital campus, where youth under the jurisdiction of DCFS can receive ongoing medical care, is a Federally Qualified Health Center (FQHC). This recognition allows the pediatric clinic to receive a higher rate of cost-based reimbursement for its Medi-Cal patients in exchange for serving patients regardless of ability to pay. Thus DCFS could also refer non-detained youth to the pediatric clinic at CHLA.

### Impact of Expanding Mental Health Services

As discussed in Section 4 of this report, “Mental Health Services Through DMH”, mental health services could be provided on or off-site by strengthening the linkage between contract DMH mental health providers and the Hub Clinics. As noted, LAC+USC, CHLA, and ESGV have access to onsite mental health service providers. The other Hub Clinics are in the same catchment area as multiple mental health providers contracted by DMH to serve youth under the jurisdiction of DCFS. The costs of these services would be covered through the normal Department of Mental Health reimbursement mechanisms.

## **SUMMARY**

Core services at some of the Hub Clinics have expanded to include mental health services onsite and/or offsite, primary medical care services, and after hours services. The integration of mental health services appears to enable some Hub Clinics to treat children’s injuries, while simultaneously stabilizing their mental state and assuring them that they will be cared for and safe. The delivery of primary medical services appears to enable other Hub Clinics to serve as medical homes for at least some youth under the jurisdiction of DCFS. The provision of medical and mental health services after hours appears to allow the LAC+USC Hub Clinic to treat children and their families at the time of their exposure to traumatic events. However, all of the Hub Clinics have medical providers that are specially trained in detecting and evaluating child abuse and neglect, meaning that Hub Clinics could detect instances of abuse or neglect that may otherwise go unnoticed if the child is seeing a provider without specialized training in this field. For these reasons, there would be an advantage for youth under the jurisdiction of DCFS to receive ongoing care at the Hub Clinics.

Some impediments for the Hub Clinics providing more services include:

- the inconsistent availability of mental health and other ancillary services among all of the Hub Clinics
- capacity constraints at some facilities
- the location and distance of the Hub Clinic relative to caregivers

- the inability for DHS to receive reimbursement from youth who are still living with their parents and are on their parents' private insurance or Medi-Cal managed care

Given these challenges, DCFS and DHS could consider alternative approaches to ensure that as many youth under the jurisdiction of DCFS receive additional benefits from the Hub Clinics, including:

- Expanding all Hub Clinics to provide consistent multi-disciplinary services and have medical home capabilities.
- Requiring that certain higher risk populations of DCFS youth such as children between the ages of 0-5, non-detained youth who are returned to their families and placed in-home, medically fragile Transition Age Youth aged 18 or older, or those at risk of re-abuse due to multiple placements receive their regular medical care at a Hub Clinic.
- Launching a public education campaign to encourage community providers who serve youth under the jurisdiction of DCFS to complete the DCFS 561(a) form.
- Establishing a management mechanism and accountability structure at DCFS to ensure that CSWs are obtaining and maintaining medical records for each child under DCFS jurisdiction and transferring them to other medical providers when necessary due to changes in placement or other reasons. With more completed forms and medical information, there is a higher likelihood that DCFS could identify suspected cases of child abuse and neglect and refer those cases to the Hub Clinics.
- Guiding and educating more caregivers about the benefits of utilizing the Hub Clinics for ongoing care.

All of these alternative approaches may result in additional medical visits for each Hub Clinic and would require additional medical providers, and possibly some capital improvements to absorb the estimated additional medical visits, though these estimates vary depending on the target population served. If the expanded services are targeted to detained youth, who are eligible for Medi-Cal fee-for-service, then these additional costs should be reimbursable.

LAC+USC is currently developing a Children's Medical Village for both youth under the age of 18 and Transition Age Youth 18+ (TAYs) to provide comprehensive medical and subspecialty services all under one roof. According to LAC+USC Hub Clinic staff, LAC+USC could receive reimbursement for subspecialty services provided at the Children's Medical Village from private insurance as well as Medi-Cal fee-for-service patients. Additionally, LAC+USC currently has agreements with Medi-Cal managed care programs, such as LA Care for reimbursement for the subspecialty services that would be offered at the Children's Medical Village. Therefore, once the Children's Medical Village is fully operational, DCFS should begin referring non-detained youth to the new facility for ongoing medical and subspecialty services.

## FINDINGS – MODEL MEDICAL HUB CLINIC

- 1.1. Three Hub Clinics (CHLA, ESGV satellite, and LAC+USC) provide mental health services for youth under the jurisdiction of DCFS at the time of their Initial Medical Examinations and Forensic Evaluations.
- 1.2. Four Hub Clinics (CHLA, ESGV satellite, High Desert, and LAC+USC) serve as medical homes for youth under the jurisdiction of DCFS, particularly for children in foster care.
- 1.3. For youth under the jurisdiction of DCFS, DHS is tracking follow-up and other patient visits, but not primary care visits at the Hub Clinics.
- 1.4. Staffing at the Hub Clinics after hours is limited to the LAC+USC Hub Clinic.
- 1.5. All Hub Clinics have medical providers that are specially trained in detecting and evaluating child abuse and neglect that community providers may not have.
- 1.6. Impediments to Hub Clinics providing more services to youth under the supervision of DCFS include:
  - the inconsistent provision of mental health and ancillary services across Hub Clinics
  - legal limitations on the Department requiring use of Hub Clinics
  - lack of capacity to serve as a medical home for foster youth
  - the locations of the Hub Clinics
  - the inability for DHS to receive reimbursement for services provided to non-detained youth who are under their parents' private medical insurance or Medi-Cal managed care (as opposed to fee-for-service Medi-Cal reimbursements provided to DHS for detained youth)
- 1.7. Targeting and requiring certain high risk populations of youth under the jurisdiction of DCFS to receive their regular medical care at a Hub Clinic would be more feasible than requiring all foster youth to go to the Hub Clinics for ongoing care. These could include:
  - children between the ages of 0-5
  - non-detained youth who remain with their families while under the jurisdiction of DCFS
  - medically fragile Transition Age Youth aged 18 or older
  - those with multiple placements

This would result in additional medical visits at each Hub Clinic and would require additional medical positions and possibly capital improvements for the Hub Clinics to absorb the additional medical visits.

- 1.8. For youth under the jurisdiction of DCFS who are treated at a Hub Clinic, the Hub Clinics could serve as a “medical home” by maintaining their medical records and ensuring that they are made available to other Hub Clinics if child placement changes occur. For youth who are treated by community providers, DCFS Children’s Social Workers should be delegated responsibility for ensuring that these youth continue to have a medical home regardless of changes in their medical providers. The CSWs should review the results of examinations and identify and report suspected cases of child abuse or neglect. DCFS management should monitor the activities of the CSWs.
- 1.9. For youth under the jurisdiction of DCFS, including TAYs and non-detained youth, the Children’s Medical Village, presently being developed at LAC+USC, can provide comprehensive medical and subspecialty services all under one roof.

### **RECOMMENDATIONS – MODEL MEDICAL HUB CLINIC**

- 1.1. **The Directors of the Departments of Health Services and Children and Family Services** should consider amending their Memorandum of Understanding (MOU) to mandate coordination and oversight of the provision of mental health services (onsite or offsite of the Hub Clinics) for youth under the jurisdiction of DCFS.
- 1.2. **The Directors of the Departments of Health Services and Children and Family Services** should also consider amending their MOU to strongly encourage provision of ongoing primary care services at the Hub Clinics for high risk populations such as children between the ages of 0-5, non-detained youth who remain with their families while under DCFS jurisdiction, medically fragile Transition Age Youth aged 18 or older, or those with multiple placements.
- 1.3. **The Directors of the Departments of Health Services and Children and Family Services** should also consider amending their MOU to mandate that the Hub Clinics serve as a “medical home” to youth under the jurisdiction of DCFS for ongoing medical services. If that is not feasible for their caregivers, have their medical care provided by a community provider, overseen by DCFS and the court. CSWs should be responsible for ensuring that each child continually has a medical home while under the jurisdiction of DCFS, whether being seen at a Hub Clinic or by a community provider, and that a medical home is maintained every time the child has a placement change.
- 1.4. **The Director of the Department of Children and Family Services** should refer non-detained youth to a “medical home” at the Hub Clinics for ongoing medical services, to the extent feasible.
- 1.5. **The Director of the Department of Health Services** should track primary medical care visits at the Hub Clinics, in order to accurately quantify follow-up care for youth under the jurisdiction of DCFS, and to measure any given Hub Clinic’s progress toward implementing the medical home model.

- 1.6. **The Directors of the Departments of Health Services and Children and Family Services** should support the expansion of the Children’s Medical Village at LAC+USC to provide comprehensive medical and mental health services to non-detained youth and Transition Age Youth.

## SECTION 2. STANDARDIZING HUB CLINICS

The Department of Health Services (DHS) and the Department of Children and Family Services (DCFS) have not allocated staff and resources to the Hub Clinics in a consistent manner, resulting in variations in service levels and differences in their cost-effectiveness. However, it should be noted that a DHS Medical Director has been hired to manage the Hub Clinic program and an electronic information system has been established to share medical records between the Hub Clinics and County departments (Enterprise mHub or E-mHub). This section of the report describes how staffing, resources, service levels, and costs per patient visit vary between the Hub Clinics.

The Hub Clinics had 22,921 patient visits in FY 2010-11, which is broken down by Hub Clinic and DCFS child status in Table 2-1. The high number of non-detained patient visits at LAC+USC is most likely explained by that facility being open 24 hours a day seven days a week and, unlike the other Hub Clinics, able to perform Forensic Evaluations on weekends and after hours.

**Table 2-1. Number of Patient Visits, by Hub Clinic<sup>1</sup>**  
(FY 2010-11)

Child Status <sup>2</sup>	ESGV	H-UCLA	HD	LAC+USC	MLK	OV-UCLA	CHLA	Total
Newly Detained	980	760	1,067	2,502	586	789	689	7,373
Non-Detained	277	824	102	5,961	786	350	82	8,382
Detained	572	840	1110	2,140	1,680	797	27	7,166
<b>Total</b>	<b>1,829</b>	<b>2,424</b>	<b>2,279</b>	<b>10,603</b>	<b>3,052</b>	<b>1,936</b>	<b>798</b>	<b>22,921</b>

Source: DHS Monthly Patient Visit reports

<sup>1</sup> ESGV = LAC+USC East San Gabriel Valley Satellite (MacLaren), H-UCLA = Harbor-UCLA Medical Center, HD = High Desert Multi-service Ambulatory Care Center, LAC+USC = LAC+USC Medical Center, MLK = Martin Luther King, Jr. Multi-service Ambulatory Care Center, OV-UCLA = Olive View-UCLA Medical Center, CHLA = Children's Hospital Los Angeles (private hospital, not operated by County Department of Health Services)

<sup>2</sup> Detained means that the child is under the custody of DCFS and is in out-of-home placement such as a foster family. Newly detained are children who have just entered the system. Non-detained are those that are still in their family homes, but have an open DCFS case.

### Staffing Level Varies Between the Hub Clinics

As shown in Table 2-2, there were a total of 103.9 budgeted Full Time Equivalent (FTE) positions at the Hub Clinics as of October 2011. The LAC+USC Hub Clinic had the most positions (39.2 FTE), while its satellite clinic (ESGV) had the fewest positions (7.3 FTE).

**Table 2-2. Budgeted Hub Clinic Positions**  
(Sep. & Oct. 2011)

Clinic <sup>1</sup>	# Positions <sup>2</sup>
ESGV <sup>3</sup>	7.3
H-UCLA <sup>4</sup>	17.0
HD <sup>4</sup>	14.0
LAC+USC <sup>3</sup>	39.2
MLK <sup>3</sup>	14.4
OV-UCLA <sup>3</sup>	12.1
<b>Total</b>	<b>103.9</b>

Source: DHS

<sup>1</sup> ESGV = LAC+USC East San Gabriel Valley Satellite (MacLaren), H-UCLA = Harbor-UCLA Medical Center, HD = High Desert Multi-service Ambulatory Care Center, LAC+USC = LAC+USC Medical Center, MLK = Martin Luther King, Jr. Multi-service Ambulatory Care Center, OV-UCLA = Olive View-UCLA Medical Center. CHLA is not included because it is not a DHS Hub.

<sup>2</sup> Part-time positions are included and reflected by amounts that are less than whole numbers. Vacant positions are also included.

<sup>3</sup> Total as of September 2011.

<sup>4</sup> Total as of October 2011.

### Mix of Staffing Varies Between the Hub Clinics

Table 2-3 shows the allocation of budgeted staff at the Hub Clinics as of October 2011. There is variation not only in the number of, but also the mix, of positions. This variation may be explained by differences in caseload at the Hub Clinics, which nevertheless suggests that not all the same functions are being performed at the Hub Clinics. For instance, both ESGV and MLK have no social worker positions. ESGV, High Desert and Olive View-UCLA have no psychologists on staff. Harbor-UCLA, MLK, and Olive View-UCLA have no ancillary services employees (e.g., health educators, medical case workers). Both ESGV and High Desert have one physician only, while Olive View-UCLA has virtually no administrative staff.

Of the 103.9 budgeted FTE positions, the vast majority are DHS positions (99.4 FTE). A total of 4.5 FTE positions are DCFS positions. These include one Children's Social Worker (CSW) at Harbor-UCLA, a half-time CSW at High Desert, two CSWs at LAC+USC and one clinical social worker at Olive View-UCLA. Though most positions are DHS positions, DCFS reimburses DHS on an annual basis for its share of operating the Hub Clinics. As discussed later, the two departments mutually agree upon this reimbursement amount annually.

**Table 2-3. Budgeted Positions, By Hub Clinic<sup>1</sup>**  
(Sep. & Oct. 2011)

Staff Classification <sup>2</sup>	ESGV	H-UCLA	HD	LAC+USC	MLK	OV-UCLA	TOTAL
Nursing	1	3	5	5	3	5	22
Physician <sup>3</sup>	2	5.1	3	12.6	5.5	3	31.2
Clerical	2	2	2	6	2.9	2	16.9
Administrative	1.3	4	2.5	5.8	2	0.6	16.1
Social Work	-	2	0.5	3	-	1.5	7
Ancillary Svs.	1	-	1	5.8	-	-	7.8
Psychological	-	0.9	-	1	1	-	2.9
<b>Total</b>	<b>7.3</b>	<b>17</b>	<b>14</b>	<b>39.2</b>	<b>14.4</b>	<b>12.1</b>	<b>103.9</b>

Source: DHS

<sup>1</sup> ESGV = LAC+USC East San Gabriel Valley Satellite (MacLaren), H-UCLA = Harbor-UCLA Medical Center, HD = High Desert Multi-service Ambulatory Care Center, LAC+USC = LAC+USC Medical Center, MLK = Martin Luther King, Jr. Multi-service Ambulatory Care Center, OV-UCLA = Olive View-UCLA Medical Center

<sup>2</sup> Nursing positions consist of: Clinic Nurses, Licensed Vocational Nurses, Registered Nurses, Critical Care Nurses, Nursing Attendants, Staff Nurses and Supervising Nurses. Physician positions consist of: Physician Specialists, Physician's Assistants, USC/Physicians, and Nurse Practitioners. Clerical positions consist of: Intermediate and Senior Clerk Typists, Intermediate Clerks, DCFS Intermediate Clerks and Intermediate Typist Clerks, Data Control Clerks, and Institutional Helpers. Administrative positions consist of: Program Managers, Administrative Assistants, Assistant Hospital Administrators, Patient Resource Workers, Patient Financial Services Workers, Staff Assistants and Community Workers. Social Work positions consist of: Children's Social Workers, Clinical Social Workers, and DCFS Children's Social Workers. Ancillary positions consist of: Health Educators, Medical Case Workers, Medical Technologists, Pharmacy Technicians, Clinical Lab Scientists, Phlebotomists, and Information Technology Specialists. Psychological positions consist of: Clinical Psychologists.

<sup>3</sup> Nurse Practitioners are included in the Physician classification because they are able to provide a level of care that is more consistent with Physicians than other nursing staff.

### Number of Patient Visits per Budgeted Positions Varies Between the Hub Clinics

Table 2-4 shows the number of patient visits in FY 2010-11 and compares it to the staffing level at each Hub Clinic. The number of patient visits per total budgeted positions per year varies considerably across the Hub Clinics, ranging from a low of 143 visits at Harbor-UCLA to a high of 271 visits at LAC+USC.

The number of patient visits per budgeted physician position<sup>5</sup> for FY 2010-11 (i.e., physician and nursing staff only) varies similarly across the Hub Clinics, ranging from a low of 475 visits per physician position at Harbor-UCLA to a high of 915 visits at ESGV. The number of patient visits per all budgeted medical positions (physician and nursing classifications) ranges from 242 at Olive View-UCLA to 602 at LAC+USC.

<sup>5</sup> Physician positions include Physicians, Physician Assistants, Physician Specialists and Nurse Practitioners.

**Table 2-4. Number of Patient Visits per Budgeted Positions, By Hub Clinic<sup>1</sup>**  
(FY 2010-11)

Staff Classification	ESGV	H-UCLA	HD	LAC+USC	MLK	OV-UCLA	TOTAL
Nursing	1	3	5	5	3	5	22
Physician <sup>2</sup>	2	5.1	3	12.6	5.5	3	31.2
Clerical	2	2	2	6	2.9	2	16.9
Administrative	1.3	4	2.5	5.8	2	0.6	16.1
Social Work	-	2	0.5	3	-	1.5	7
Ancillary Svs.	1	-	1	5.8	-	-	7.8
Psychological	-	0.9	-	1	1	-	2.9
<b>Total</b>	<b>7.3</b>	<b>17</b>	<b>14</b>	<b>39.2</b>	<b>14.4</b>	<b>12.1</b>	<b>103.9</b>
# Patient Visits	1,829	2,424	2,279	10,603	3,052	1,936	22,123
# Patient Visits/ Total positions	252	143	163	271	212	161	213
# Patient Visits/ Physician positions <sup>3</sup>	915	475	760	842	555	645	709
# Medical Positions <sup>4</sup>	3	8.1	8	17.6	8.5	8	53.2
# Patient Visits/All Medical Positions	610	299	285	602	359	242	416

Source: DHS Hub Clinic staffing report and Monthly Patient Visit reports

<sup>1</sup> ESGV = LAC+USC East San Gabriel Valley Satellite (MacLaren), H-UCLA = Harbor-UCLA Medical Center, HD = High Desert Multi-service Ambulatory Care Center, LAC+USC = LAC+USC Medical Center, MLK = Martin Luther King, Jr. Multi-service Ambulatory Care Center, OV-UCLA = Olive View-UCLA Medical Center.

<sup>2</sup> Nurse Practitioners are included in the Physician classification because they are able to provide a level of care that is more consistent with Physicians than other nursing staff.

<sup>3</sup> Physician positions include Physicians, Physician Specialists, Physician Assistants and Nurse Practitioners.

<sup>4</sup> Medical Positions include all Physician and Nursing classifications.

### Direct Cost per Patient Visit Varies Between the Hub Clinics

Table 2-5 shows projected direct costs for the Hub Clinics in FY 2010-11 and compares them to the number of patient visits at each Hub Clinic. The CGJ calculated average costs per visit based on direct Hub Clinic costs only.

**Table 2-5. Average Direct Costs per Patient Visit**  
(FY 2010-11)

Hub Costs <sup>1,2</sup>	ESGV <sup>3</sup>	H-UCLA	HD	LAC+USC	MLK	OV-UCLA	TOTAL
\$ Direct Costs <sup>4</sup> (Only)	n/a	\$1,034,370	\$995,086	\$3,558,629	\$1,163,071	\$313,602 <sup>5</sup>	\$7,064,758
# Patient Visits	1,829	2,424	2,279	10,603	3,052	1,936	22,123
<b>\$ Direct Cost/ Patient Visit</b>	<b>n/a</b>	<b>\$427</b>	<b>\$437</b>	<b>\$336</b>	<b>\$381</b>	<b>\$162</b>	<b>\$368<sup>6</sup></b>

Source: DHS Patient Visit Reports and a Comparative Analysis-Hub Costs Report for FY 2009-10 & FY 2010-11, prepared for the Grand Jury

<sup>1</sup> ESGV = LAC+USC East San Gabriel Valley Satellite (MacLaren), H-UCLA = Harbor-UCLA Medical Center, HD = High Desert Multi-service Ambulatory Care Center, LAC+USC = LAC+USC Medical Center, MLK = Martin Luther King, Jr. Multi-service Ambulatory Care Center, OV-UCLA = Olive View-UCLA Medical Center.

<sup>2</sup> All costs are projected. They are based on FY 2009-10 actual costs increased by a COLA percentage. FY 2010-11 actual costs were not available as of the writing of this report.

<sup>3</sup> No cost data was available for the ESGV Hub Clinic.

<sup>4</sup> Direct costs consist of salaries, employee benefits, services and supplies.

<sup>5</sup> Cost Figures from Olive View-UCLA seem discrepant and could not be verified by time of publication.

<sup>6</sup> Excludes patient visits at ESGV and Olive View-UCLA since cost data was not available or could not be confirmed for those facilities.

Pursuant to the Memorandum of Understanding (MOU) between DCFS and DHS for the operation of the Hub Clinics, DCFS and DHS negotiate annually an agreement on the amount DCFS will reimburse DHS for Hub Clinic costs. This amount is subsequently attached to the MOU. For FY 2010-11, DCFS agreed to reimburse DHS for 30.9 percent of all Hub Clinic costs.

### Types of Patient Visits Vary Between the Hub Clinics

Table 2-6 shows the types of patient visits at the Hub Clinics in FY 2010-11. Because all the Hub Clinics perform the same core services and serve the same population of children under the jurisdiction of DCFS, it might be expected that the types of patient visits would be proportionately distributed across the Hub Clinics. However, certain core services comprise a large share of patient visits at some Hub Clinics, but a relatively low share at other Hub Clinics. For instance, Initial Medical Examinations comprise 65 percent of patient visits at ESGV, but only 26 percent of visits at LAC+USC. In addition, Forensic Evaluations comprise 53 percent of patient visits at LAC+USC, but only 8 percent at High Desert.

The relatively high percentage of Forensic Evaluations performed at LAC+USC could be explained by at least two factors. First, ESGV does not perform Forensic Evaluations. Instead, it makes referrals for Forensic Evaluations to LAC+USC. Second, LAC+USC is the only Hub Clinic open after hours and on weekends, and its Medical Director advised the CGJ that most services requested during these time periods are Forensic Evaluations.

**Table 2-6. Types of Patient Visits, By Hub Clinic<sup>1</sup>**  
(FY 2010-11)

# Visits:	ESGV	H-UCLA	HD	LAC+USC	MLK	OV-UCLA <sup>2</sup>	CHLA <sup>2</sup>	TOTAL <sup>2</sup>
Initial Exams	1,187	783	973	2,788	1,385	798	487	8,401
Forensic Evals	0	833	181	5,583	470	305	161	7,533
Follow-up	500	808	411	1,765	678	671	31	4,864
Other	142	0	714	467	519	184	206	2,232
<b>Total</b>	<b>1,829</b>	<b>2,424</b>	<b>2,279</b>	<b>10,603</b>	<b>3,052</b>	<b>1,936</b>	<b>798</b>	<b>22,921</b>

As % of total:								
Initial Exams	65%	32%	43%	26%	45%	41%	61%	37%
Forensic Evals	0%	34%	8%	53%	15%	16%	20%	33%
Follow-up/other	35%	33%	49%	21%	39%	44%	30%	31%

Source: DHS monthly Patient Visit report

<sup>1</sup> ESGV = LAC+USC East San Gabriel Valley Satellite (MacLaren), H-UCLA = Harbor-UCLA Medical Center, HD = High Desert Multi-service Ambulatory Care Center, LAC+USC = LAC+USC Medical Center, MLK = Martin Luther King, Jr. Multi-service Ambulatory Care Center, OV-UCLA = Olive View-UCLA Medical Center, CHLA = Children's Hospital Los Angeles (private hospital, not operated by County Department of Health Services).

<sup>2</sup> Actual totals add to more than total shown due to some patients being counted in more than one category when visit was for multiple purposes such as a combined Forensic Evaluation and Initial Medical Examination.

The terms "Follow-up" and "Other" visits can be used as indications of ongoing primary medical care visits at the Hub Clinics. Some Hub Clinics seem to be providing more follow-up and ongoing care than others. For example, follow-up care comprised 49 percent of patient visits at High Desert, but only 21 percent of visits at LAC+USC, as shown in Tables 1-1 and 2-6 above.

### Positive Mental Health Screenings Vary Between the Hub Clinics

Table 2-7 shows the number of mental health screenings and their results in FY 2010-11. The rate of positive mental health screenings (meaning additional mental health services are needed) varies considerably between the Hub Clinics, ranging from a low of 21 percent at MLK to a high of 80 percent at Olive View-UCLA.

**Table 2-7. Number of Mental Health Screenings and Results**  
(FY 2010-11)

	ESGV	H-UCLA	LAC+USC	MLK	OV-UCLA	HD	CHLA	TOTAL
# Screenings	1,184	1,713	6,244	1,537	1,051	1,238	466	13,433
# Positive Results	482	859	3,253	322	844	802	369	6,931
<b>% Positive</b>	<b>41%</b>	<b>50%</b>	<b>52%</b>	<b>21%</b>	<b>80%</b>	<b>65%</b>	<b>79%</b>	<b>52%</b>

Source: DHS records

### Available Space Varies Between the Hub Clinics

Table 2-8 shows the number and types of examination rooms at the Hub Clinics as of February 2012. LAC+USC has the most exam rooms (10) dedicated to its operations, while CHLA has the fewest (2). Some Hub Clinics are forced to share exam rooms with non-Hub Clinics in the same locations. For instance, while LAC+USC has the

most exam rooms, four of them (36%) are shared with other clinics. This sharing is likely the direct result of LAC+USC having the highest number of patient visits (10,603) across the entire Medical Hub Clinic system.

**Table 2-8. Number and Type of Examination Rooms, by Hub Clinic<sup>1</sup>**  
(Feb. 2012)

# Exam Rooms:	ESGV	H-UCLA	HD	LAC+USC	MLK	OV-UCLA	CHLA	TOTAL
Dedicated	5	3	3	10	8	3	2	34
Non-dedicated <sup>2</sup>	0	2	0	1	0	2	2	7
Shared w/ other clinic <sup>3</sup>	0	0	0	4	2	1	0	7
<b>Total</b>	<b>5</b>	<b>5</b>	<b>3</b>	<b>11</b>	<b>8</b>	<b>5</b>	<b>4</b>	<b>41</b>

As % total:								
Dedicated	100%	60%	100%	91%	100%	60%	50%	83%
Non-dedicated	0%	40%	0%	9%	0%	40%	50%	17%
Shared w/ other clinic	0%	0%	0%	36%	25%	20%	0%	17%

Source: DHS

<sup>1</sup> ESGV = LAC+USC East San Gabriel Valley Satellite (MacLaren), H-UCLA = Harbor-UCLA Medical Center, HD = High Desert Multi-service Ambulatory Care Center, LAC+USC = LAC+USC Medical Center, MLK = Martin Luther King, Jr. Multi-service Ambulatory Care Center, OV-UCLA = Olive View-UCLA Medical Center, CHLA = Children's Hospital Los Angeles (private hospital, not operated by County Department of Health Services)

<sup>2</sup> Used for other purposes.

<sup>3</sup> Included in # dedicated rooms.

## SUMMARY

DHS and DCFS have not allocated staffing and resources to the Hub Clinics in a consistent manner. There is variation not only in the number of budgeted positions, but also the mix of positions. There is also variation in available space at the Hub Clinics. In addition, there are differences in the number of patient visits per budgeted position and cost per patient visit at the Hub Clinics, indicating possible over- and under-utilization of some Hub Clinics. Variations in staffing and resources also indicate that services at the Hub Clinics are not consistent. A child receiving services from one Hub Clinic will have a different experience than a child receiving services from a different Hub Clinic. DHS and DCFS are probably not optimizing their staff and resources to their fullest potential, in order to maximize health outcomes and care coordination for DCFS-involved children.

DHS has recently assigned a Medical Director to be responsible for all of the County's Hub Clinics (excluding the privately managed Children's Hospital LA). Establishing countywide goals and consistent service level objectives for the Hub Clinics and allocating and managing resources accordingly should be key elements of this position's responsibilities.

## FINDINGS

- 2.1. Because the staffing, resources, service levels, costs per patient visit and physical capacity vary considerably between the Hub Clinics, DCFS youth are not ensured of comparable services depending on which Hub Clinic they use and DHS is not ensured of comparable costs depending on which Hub Clinic is used.
- 2.2. DHS and DCFS have not yet established standards on staffing, resources, service levels, and costs per patient visit at the Hub Clinics.
- 2.3. Some Hub Clinics appear to be providing more ongoing care (i.e., primary medical care) than others.

## RECOMMENDATIONS – STANDARDIZING THE HUB CLINICS

- 2.1. **The Directors of the Departments of Health Services and Children and Family Services** should collaborate and establish staffing, resource, service level, and cost per patient visit standards for the Hub Clinics to ensure that the same mix and level of services are provided to all youth under the jurisdiction of DCFS.
- 2.2. **The Director of the Departments of Health Services** should redefine Hub Clinic patient visits for the clinics' statistical reports so that the classification "Follow-Up Care" is refined to distinguish ongoing medical care from Initial Medical Examination and Forensic Evaluation follow-up services.
- 2.3. **The Director of the Department of Health Services** should produce monthly management reports for use by the countywide director of the Hub. These reports should include at a minimum:
  - patient visits by type
  - patient visits per medical provider
  - cost per visit
  - health outcomes
  - suspected cases of abuse and neglect
  - other measures of productivity and outcomes

## **SECTION 3. DCFS ACCOUNTABILITY**

### **Mandate for Hub Clinic Examinations**

The Department of Children and Family Services (DCFS) has mandated that youth in the child welfare system use the Hub Clinic program for the provision of Initial Medical Examinations, Forensic Evaluations and mental health screenings. The mandate is supported by a Memorandum of Understanding (MOU) between DCFS and the Department of Health Services (DHS) for the operation of the Hub Clinic program and DCFS Procedural Guides for Children’s Social Workers (CSWs).

According to the DCFS Procedural Guide 0600-500.00 and the MOU between DHS and DCFS, CSWs are supposed to: 1) inform caregivers of the requirement to utilize Hub Clinics for an Initial Medical Examination at the time of a newly detained youth’s initial placement, and 2) refer youth to the Hub Clinic that is in closest proximity to the caregiver’s home, where the youth under the jurisdiction of DCFS is placed. Further, when an appointment has been scheduled and not kept, the Hub Clinic must notify DCFS and the child’s CSW is supposed to follow up with caregivers to ensure that the youth receive needed medical examinations and/or care.

This section examines the extent to which the DCFS mandate is enforced, as well as the systems and tools, or lack thereof, for holding DCFS staff accountable for its enforcement.

### **Missed Appointment Rate Across Hub Clinics**

Hub Clinics attempt to schedule appointments for youth referred to them by DCFS. In FY 2010-11, there were 6,822 missed appointments out of 29,743 total scheduled appointments, or a missed appointment rate of 22.9 percent, across all seven Hub Clinics. The missed appointment rates ranged from as low as 8.6 percent at Children’s Hospital Los Angeles (CHLA) to as high as 28.7 percent at Martin Luther King Jr. and Olive View. There is no data on whether these patients obtained their medical exams through another Hub Clinic or a community provider. Additionally, information was not available from DHS to determine if patients who missed their appointments had rescheduled at the Hub Clinic in a month subsequent to the period of analysis. Table 3-1 shows the total number and rate of missed appointments at each Hub Clinic in FY 2010-11.

**Table 3-1. Number and Rate of Missed Appointments by Hub Clinic<sup>1</sup>**  
(FY 2010-11)

	ESGV	H-UCLA	HD	LAC+USC	MLK	OV-UCLA	CHLA	Total
Scheduled Appointments	2,368	3,162	3,156	13,187	4,283	2,714	873	29,743
Total Actual Visits	1,829	2,424	2,279	10,603	3,052	1,936	798	22,921
No-Shows	539	738	877	2,584	1,231	778	75	6,822
No-Show Rate (%) <sup>2</sup>	22.8%	23.3%	27.8%	19.6%	28.7%	28.7%	8.6%	22.9%

Source: DHS Monthly Patient Visit reports

<sup>1</sup> ESGV = LAC+USC East San Gabriel Valley Satellite (MacLaren), H-UCLA = Harbor-UCLA Medical Center, HD = High Desert Multi-service Ambulatory Care Center, LAC+USC = LAC+USC Medical Center, MLK = Martin Luther King, Jr. Multi-service Ambulatory Care Center, OV-UCLA = Olive View-UCLA Medical Center, CHLA = Children's Hospital Los Angeles (private hospital, not operated by County Department of Health Services)

<sup>2</sup> The No-Show rate is the ratio of no-shows to the total possible visits, or total actual visits plus no-show visits.

A missed appointment rate that is approximately one fifth of the appointments scheduled at Hub Clinics contributes to an inefficient use of resources at Hub Clinics as staff attempt to reschedule missed appointments and opportunities are missed to schedule new DCFS referrals. For example, Harbor-UCLA reports that DCFS referrals to their clinic have recently increased and that there is not enough capacity to schedule appointments for all referrals. In the last three months of FY 2010-11, DCFS referred an average of 329 youth per month to Harbor-UCLA. However, capacity at Harbor-UCLA allowed for scheduling an average of only 271 appointments per month in the same time period. Since the average number of missed appointments per month was 65, most of the unscheduled patients could have actually been seen at the Hub Clinics using the missed appointment slots. By reducing the average missed appointment rate of 65 missed appointments per month even by half, Harbor-UCLA could have scheduled appointments for at least 30 new referrals per month. The total visits, missed appointments, appointments scheduled, and referrals to Harbor-UCLA for April 2011 through June 2011 are shown in Table 3-2 below.

**Table 3-2. Appointments and Referrals for Harbor-UCLA**  
(April 2011-June 2011)

	April 2011	May 2011	June 2011	Average
Scheduled Appointments	272	269	271	271
Total Actual Visits	212	196	210	206
No-Shows	60	73	61	65
Total Referrals	309	338	340	329
Scheduled Appointments Less Referrals	(37)	(69)	(69)	(58)

Source: DHS Monthly Patient Visits Reports

## Missed Forensic Evaluations

An analysis conducted by LAC+USC of the instances of missed appointments for Forensic Evaluations scheduled at the LAC+USC Hub Clinic revealed that 58, or 53.7 percent of the 108 missed appointments in June 2011 did not have an appointment rescheduled within that month.<sup>6</sup> Of the 58 missed appointment incidents without a rescheduled appointment, 17, or 29.3 percent were youth between the ages of 0-5. Presumably, this age group is more at risk than others because they are not required to be in school where other adults and professionals may detect possible abuse and neglect. Again, there is no data to determine if these youth received services at another Hub Clinic or from a community provider.

According to management at the LAC+USC Hub Clinic, the missed appointments in the analysis are primarily among non-detained youth. Thus, these youth were referred to the Hub Clinic to determine whether they were abused or neglected in their homes. While these youth could have been seen by a community provider, they do not receive the benefits of obtaining a timely<sup>7</sup> Forensic Evaluation from one of the Hub Clinics: 1) an examination from a medical practitioner who has specialized training in detecting and treating child abuse injuries and neglect, and 2) informational access to the DCFS child welfare system via the E-mHub database and information sharing system, should a medical examination reveal possible abuse and neglect.

Recent statistics on youth with open DCFS cases at the time of their death suggest that youth remaining in or returned to their homes, or with one or both of their parents, could benefit from the specialized services and linkages to additional services offered at some of the Hub Clinics. Specifically, from FY 2009-10 through FY 2010-11, 35 youths with open DCFS cases died while placed in-home, which represents 58.3 percent of the 60 youths that had an open DCFS case at the time of their death. Currently, youth placed in-home are not mandated to utilize Hub Clinics and are only encouraged to go to the Hub Clinics if referred for a Forensic Evaluation. Table 3-3 below shows the placement status of youth with an open DCFS case at the time of their death for the past two fiscal years.

While these deaths might not have been prevented if these youth had been seen at a Hub Clinic, the likelihood of signs of abuse and neglect being detected at the Hub Clinics is higher in that the medical staff is specially trained in detection of child abuse and neglect. That alone would provide some greater protection and oversight for these children.

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<sup>6</sup> Source: LAC+USC staff

<sup>7</sup> According to California Welfare and Institutions Code § 324.5 and DCFS policy, whenever possible, a Forensic Evaluation should take place within 72 hours of the time the youth was taken into protective custody. A timely Forensic Evaluation is important for any physical evidence of abuse and neglect to be properly identified.

**Table 3-3. Youth with Open DCFS Cases at Time of Death**  
(FY 2009-10 through FY 2010-11)

Placement Status	FY 2009-10	FY 2010-11	Total	Percentage
In-Home	19	16	35	58.3%
Non Foster Care	2	7	9	15.0%
Foster Family Agency Certified Home	2	2	4	6.7%
Foster Family Home	1	2	3	5.0%
Guardian Home	1	2	3	5.0%
Relative/NREFM <sup>1</sup> Home	1	2	3	5.0%
Child Ran Away from Placement		1	1	1.7%
Court Specified Home	1		1	1.7%
Small Family Home		1	1	1.7%
<b>Total</b>	<b>27</b>	<b>33</b>	<b>60</b>	<b>100.0%</b>

<sup>1</sup> NREFM = Non-relative extended family member

In addition to improving the rate of timely Forensic Evaluations for non-detained youth, DCFS should refer youth remaining in-home with their parents (under Family Maintenance) to outpatient mental health services provided by some of the Hub Clinics and Department of Mental Health (DMH) community contractors. These services could include individual and collateral therapy for youth and their parents, such as those currently offered at the LAC+USC Hub Clinic and Children's Hospital, for a period of six months after the date the youth first enters the child welfare system.

Because non-detained youth are typically either covered by their parent's private medical insurance or in Medi-Cal managed care, DHS receives limited or no reimbursement for services to non-detained youth provided at the Hub Clinics. However, Title IV-E Waiver<sup>8</sup> funding could be used to expand mental health and other Hub Clinic services to non-detained youth as a way to improve safety for youth most at risk of death while under the jurisdiction of DCFS. Therefore, DCFS should modify its current waiver plan or plan for any future Title IV-E waiver funds to be used in part to expand Hub Clinic services for non-detained youth who live in their family homes.

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<sup>8</sup> The Title IV-E Child Welfare Capped Allocation Demonstration Project (Waiver) funds are additional revenues available to DCFS to spend on both eligible and non-eligible children and families, and payments for services that are not allowed under the current Title IV-E regulations. The funds are to be used for the expansion and improvement of existing child welfare practice, programs and system improvement.

## Following Up on Missed Appointments

### By DHS Staff at Hub Clinics

The DHS staff at Hub Clinics lack sufficient resources to 1) follow up on missed appointments and 2) reschedule Clinic appointments and referrals to medical specialists and/or mental health services.

According to Hub Clinic staff, clerical staff may have a difficult time contacting caregivers due to poor contact information or the caregiver's unavailability. In some instances, the referred youth may have changed placements prior to scheduling an Initial Medical Examination without the Hub Clinics being notified, making the contact information provided to the Hub Clinics obsolete. Some medical providers reported trying to follow up on referrals on their own for special cases, but these efforts take time away from seeing other patients.

As discussed in Section 4 of this report, "Mental Health Services Through DMH," the Hub Clinics provide mental health screenings as part of the Initial Medical Examination and make referrals for mental health services, when needed. For Hub Clinics that do not have mental health service providers onsite, such as Olive View-UCLA and Harbor-UCLA, Hub Clinic staff is unable to verify if patients referred to mental health providers ever receive mental health services. However, follow up on mental health or specialized medical services can be done more easily at LAC+USC and Children's Hospital because the mental health providers are part of the Hub Clinics' parent organization.

### By DCFS Children's Social Workers

#### *E-mHub System for Tracking Hub Clinic Referrals, Visits, and Results*

The July, 2011 implementation of the E-mHub system enabled automated DCFS referrals of detained children to six of the seven Hub Clinics. It also allows DHS staff to track patient visits by examination type and youth placement, and to track missed appointments. When a patient misses an appointment, the E-mHub system is supposed to e-mail the DCFS CSW assigned to the patient, notifying them of the need for follow up. Referrals from DCFS to the Children's Hospital Los Angeles, the only non-County Hub facility, can also be made from the E-mHub system through a Rightfax feature, which automatically submits referrals via fax or e-mail, however the information sharing is less complete than for the other six Hubs.

#### *Policies and Procedures*

According to DCFS management, a study is being conducted to identify the causes of missed Hub Clinic appointments and the role of DCFS staff in enforcing its own Initial Medical Examination mandate. Preliminary results illustrate a lack of understanding by some CSWs of department policies and procedures for referring youth with open DCFS cases to the Hub Clinics and/or following up with patients who do not show up for their appointments. Further, there are instances of a breakdown in communication among

participants in the child welfare system and a lack of a system of accountability regarding missed appointments for CSWs.

A sample of 60 cases in which the youth were in an out-of-home placement in July of 2011 was reviewed by DCFS management, including interviews with CSWs. Some CSWs reported that they were unaware of the department policy to refer all newly detained youth to the Hub Clinics for Initial Medical Examinations. Other CSWs reported that they did not know which CSW is supposed to make the referral and/or follow up on missed appointments at the Hub Clinics—the CSW responding to an emergency allegation (Emergency Response CSW) or the CSW eventually assigned to the case once the youth is detained by DCFS. These responses indicate that DCFS policies and procedures are not clearly understood by the CSWs.

These responses are examples of breakdowns in communication between CSWs within DCFS. When an open case is transferred from one CSW to another, there should always be an effective transfer of information regarding what the former CSW completed prior to the transfer of the case and what should be done or what follow up should be conducted by the subsequent CSW. Additionally, DCFS management reported that more youth are being placed with Foster Family Agencies (FFA), as opposed to a licensed foster home. Therefore, communication between DCFS CSWs and other social workers assigned to FFAs should be improved, including expectations regarding the use of Hub Clinics. Consistent and thorough communication among all members of the child welfare system that are involved in any open case is essential to preventing youth from “slipping through the cracks”.

DCFS policies and procedures were last updated in March of 2011, prior to the full implementation of the E-mHub system. Therefore, the policies do not include how CSWs are expected to utilize the E-mHub system to efficiently and effectively manage their cases, including following up with youth in a timely manner when they receive an e-mail from E-mHub notifying them of missed appointments.

DCFS policies and procedures regarding the utilization of Hub Clinics should be revised and updated to clarify the roles and responsibilities of all CSWs involved in open DCFS cases in the Hub Clinic referral and follow-up processes, including requiring consistent and thorough transfer of information between former and currently assigned CSWs. The revised policies should also include expected timelines for following up on E-mHub reports of Hub Clinic staff’s inability to schedule initial appointments and missed appointments.

### *Accountability System*

To ensure that CSWs understand DCFS policies and procedures and that the mandated use of Hub Clinics is enforced, DCFS management should utilize management reports to become more active in holding individual CSWs accountable for the lack of referrals and follow up on missed appointments.

DCFS management reports that they are going to implement a tracking report using E-mHub data to show which newly detained youths:

- are referred to a Hub Clinic
- are not referred to a Hub Clinic (i.e. were placed out of the County, and therefore, not required to go to a Hub Clinic, or CSW did not follow department policies and procedures)
- actually obtained an exam at a Hub Clinic
- did not attend their Hub Clinic appointment (no-show/missed appointment)

There will be separate reports for Initial Medical Examinations at Hub Clinics, which DCFS mandates for newly detained youth, and Forensic Evaluations, which DCFS encourages to take place at Hub Clinics for non-detained youth.

These reports will be sent to each DCFS regional office, and supervisors at regional offices will be able to identify the CSW assigned to the youth without referrals to Hub Clinics or with missed appointments. DCFS management states that, currently, there is no tracking of or consequences for CSWs with cases that are not referred to Hub Clinics or with frequent missed medical appointments.

DCFS managers at the regional offices should hold individual CSWs accountable for missed appointments and for complying with these Department mandates. Managers should ensure that CSWs troubleshoot and problem-solve for youth that consistently miss Hub Clinic and mental health appointments. This process should include identifying and correcting miscommunication or the lack of information transfer among different CSWs assigned to a case at different points in time.

Though CSW caseloads are reportedly high, the Department needs to establish mechanisms to provide greater accountability by managers and individual CSWs regarding missed medical and mental health appointments. The production and distribution of management reports regarding missing Hub Clinic referrals and missed appointments will assist in managing this problem and ensuring greater responsibility by DCFS management and staff for reducing the number of missed appointments.

#### By Public Health Nurses

In December, 2011, the Board of Supervisors approved DCFS's strategies for using Title IV-E Child Welfare Capped Allocation Demonstration Project (Waiver)<sup>9</sup> funds. These included funding for hiring eight temporary CSWs and seven additional temporary Public Health Nurses (PHNs) to be located at the Hub Clinics for a 12-month pilot project. According to DCFS management:

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<sup>9</sup> The Title IV-E Child Welfare Capped Allocation Demonstration Project (Waiver) funds are additional revenues available to DCFS to spend on both eligible and non-eligible children and families, and payments for services that are not allowed under the current Title IV-E regulations. The funds are to be used for the expansion and improvement of existing child welfare practice, programs and system improvement.

- Each Hub Clinic will have the ability to decide where to place the additional CSWs and PHNs (i.e., with staff for Initial Medical Examinations or Forensic Evaluations) and to prioritize their duties.
- DCFS is interviewing candidates for hire as temporary CSWs or PHNs, as of the date of this report.
- DCFS is developing a training plan for training before the hired CSW or PHN is placed at a Hub Clinic.
- A Memorandum of Understanding between DCFS and DHS regarding the expected roles and duties of the PHNs is still currently being developed, and a draft was not provided to the CGJ prior to the writing of this report.
- Outcome measures for the placement of PHNs at the Hub Clinics are being developed.
- Once developed, the outcome measures will be used to document achievements and, if appropriate, advocate for Waiver funding in subsequent years, should such funding be extended.

Based on the issues previously discussed in this section, DCFS and DHS should assign co-located CSWs or PHNs at every Hub Clinic to specifically follow up on missed appointments and referrals for specialized services (medical and mental health services). A strong emphasis and priority should be placed on non-detained youth who do not schedule or miss their Forensic Evaluations. These youth could benefit from timely Forensic Evaluations to detect possible abuse and neglect and ensure the safety of the youth through an appropriate placement. Because of the PHNs specialized medical knowledge and relatively lighter caseloads than CSWs, PHNs would be more effective in following up with missed medical appointments and/or referrals, while CSWs should focus on updating information such as changes in placement and caregiver information. However, either the co-located PHNs or CSWs could help reduce the rate of missed appointments. When evening hours are an option at the Hub Clinic, the CSWs or PHNs should be scheduled for the evening hours to conduct most of the follow ups to increase the probability of reaching caretakers.

## **SUMMARY**

The Department of Children and Family Services (DCFS) has mandated that youth in the child welfare system use DHS Hub Clinics to obtain Initial Medical Examinations, Forensic Evaluations and mental health screenings. Further, should youth miss appointments, DCFS must follow up with their caregivers to ensure medical and mental health service needs are met.

However, data from Hub Clinics indicate that approximately one fifth of the appointments scheduled at all of the Hub Clinics result in the patient missing an appointment. Further, a limited analysis showed that approximately half of patients that missed their Forensic Evaluation appointments at the LAC+USC Hub Clinic during one month did not schedule a new appointment within that month. These statistics illustrate that DCFS's

mandate is not completely enforced, but they also highlight a risk of inefficient and ineffective use of Hub Clinic staff resources as well missed opportunities to serve other youth under the jurisdiction of DCFS.

Enforcement of DCFS requirements for youth to utilize the Hub Clinics could be improved through: 1) revised DCFS policies and procedures that clearly outline roles and responsibilities for CSWs to refer youth to Hub Clinics and follow up on missed appointments, particularly when multiple CSWs are involved in the case; 2) DCFS management reports to help DCFS regional office supervisors identify problem cases; and 3) opportunities for DCFS management to work with CSWs that have a history of cases that are not referred to or result in missed appointments at Hub Clinics. Additionally, DCFS and DHS should establish clear roles and responsibilities for temporary CSWs or PHNs that will be placed at the Hub Clinics to facilitate following up on missed appointments and referrals to special medical and mental health services.

### **FINDINGS – DCFS ACCOUNTABILITY**

- 3.1. In FY 2010-11, 22.9 percent, or 6,822 out of 29,743 scheduled appointments at Hub Clinics were missed across all seven Hub Clinics. This contributes to an inefficient use of resources at Hub Clinics. Opportunities are missed to schedule new DCFS referrals, increasing the risk of youth not receiving needed medical and/or mental health diagnoses, care and services.
- 3.2. An analysis of missed appointments for Forensic Evaluations scheduled at LAC+USC revealed that more than half of the no-shows did not have an appointment rescheduled within that same month.
- 3.3. A majority of the referrals for Forensic Evaluations are for non-detained youth. Timely Forensic Evaluations for non-detained youth at Hub Clinics with medical providers that have specialized training in detecting abuse and neglect could help to reduce the risk of further abuse and, possibly, the number of child deaths among open DCFS cases in which the youth is placed in-home with their alleged abusers.
- 3.4. More systematic referral and access to outpatient mental health services for non-detained youth and their parents for a period of six months after the non-detained youth first enters the child welfare system may help prevent further abuse and neglect for this population.
- 3.5. Hub Clinics lack sufficient resources to follow up on no-shows and reschedule appointments, as well as referrals to medical specialists and/or mental health services. Follow up should be conducted by DCFS staff, as consistent with existing DCFS policies and procedures.
- 3.6. Some DCFS CSWs lack an understanding of department policies and procedures regarding Hub Clinic referrals and follow up on missed appointments.
- 3.7. A system of management accountability is being implemented by DCFS. Though it is an improvement over current practices, this system could be further improved to

include concrete processes for addressing problem cases and communication failures among CSWs.

- 3.8. While funding has been approved to hire and temporarily co-locate Public Health Nurses and Children’s Social Workers at the Hub Clinics, roles and responsibilities could be more clearly defined and directed toward utilizing these new positions to follow up on missed appointments and referrals to specialized medical and mental health services.

## RECOMMENDATIONS – DCFS ACCOUNTABILITY

- 3.1 **The Director of the Department of Children and Family Services** should enforce the department’s mandate for the utilization of Hub Clinics by revising the policies and procedures related to referrals to Hub Clinics and follow up for medical and mental health linkages.
- 3.2 **The Director of the Department of Children and Family Services** should require the DCFS managers at the regional offices to 1) use management reports, 2) hold individual supervisors and CSWs accountable for making Hub Clinic referrals, 3) follow up on missed appointments and 4) troubleshoot and problem-solve for youth that consistently miss Hub Clinic and mental health appointments. These duties would include identifying miscommunication or the lack of information transfer among different CSWs assigned to the same case at multiple points in time.
- 3.3. **The Directors of the Departments of Children and Family Services and Mental Health** should collaborate on a system that refers non-detained youth remaining in their family homes and their parents to outpatient mental health services for a period of six months after the date they enter into the child welfare system.
- 3.4. **The Director of the Department of Children and Family Services** should modify the department’s current Title IV-E waiver plan, or apply any new waiver funds, to enable expansion of Hub Clinic services for non-detained youth who live in their family homes.
- 3.5. **The Directors of the Departments of Children and Family Services and Health Services** should collaborate on the assignment of co-located Public Health Nurses (PHNs) or Children’s Social Workers (CSWs) at every Hub Clinic to specifically follow up on missed appointments and referrals for specialized services (medical and mental). A strong emphasis and priority should be placed on non-detained youth who miss their Forensic Evaluations. When extended hours are an option at the Hub Clinic, the PHNs or CSWs should work during evening hours to conduct most of the follow ups to increase the probability of reaching caretakers.
- 3.6 **The Directors of the Departments of Children and Family Services and Health Services** should promote the use of the Hub Clinics as medical homes for children under the jurisdiction of DCFS by providing education to CSWs about the services and benefits of the Clinics and requiring the CSWs to communicate this information to caregivers.

## 4. MENTAL HEALTH SERVICES THROUGH DMH

### Multidisciplinary Assessment Teams (MATs)

As part of the County of Los Angeles' settlement agreement from the Katie A. lawsuit,<sup>10</sup> the Department of Children and Family Services (DCFS) has made it a policy that all newly detained youth are required to receive a mental health screening or assessment and appropriate linkage to services in a timely manner. To accomplish this, DCFS and the Department of Mental Health (DMH) have collaborated to expand their Multidisciplinary Assessment Team (MAT) Assessment Program to all Service Planning Areas. However, this assessment occurs independent of the DCFS detention process, which includes the Initial Medical Exam and mental health screening at the Hub Clinics.

Once detained by DCFS as a result of a court order, a youth is referred by staff for a multidisciplinary assessment, generally conducted by a DMH-contracted community-based organization called a MAT Provider. This assessment is intended to provide a comprehensive understanding of the complicated issues that families face when they first enter the foster care system and to enable DCFS Children's Social Workers (CSWs) to determine more effectively 1) the appropriate placement for the youth; 2) services needed by the youth and their families; and 3) early diagnosis and intervention of critical medical, dental and mental health issues.

The MAT Provider gathers information from various sources in the following key areas with regard to the youth and their family: 1) level of engagement; 2) family's functioning; 3) family's strengths and needs; 4) child's functioning, including interpersonal, physical health, mental health, developmental, educational, and vocational functioning, if applicable; 5) child's strengths and needs; 6) current placement; and 7) alternate placements, if applicable.

For MAT sessions, interviews are conducted with the youth's parents and/or caregivers and parent-child interactions are observed. A team is assembled to evaluate the findings from the interviews and plan for needed services. This team generally includes a mix of individuals involved with the case including: the caregiver; family members; the child, if appropriate; Children's Social Worker (CSW); Public Health Nurse (PHN) and others concerned with the case.

### MAT Assessments and Hub Clinics

Linkage between the MAT Assessments and Hub Clinics is very limited. The most direct linkage is through the use of the medical report from the Initial Medical Examinations at the Hub Clinics, but these reports are not always available or used in MAT Assess-

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<sup>10</sup> In July 2002, the "Katie A., et al. v. Diana Bontá" class-action lawsuit was filed against the State of California and the County of Los Angeles on behalf of five named plaintiff foster children and a class of children and young adults who are in the custody of DCFS, or have been referred to or are subject to being referred to DCFS. In lieu of monetary compensation, the Katie A. plaintiffs requested that the State and County improve upon its delivery of mental health services to children and families. <http://www.lacdcfs.org/katieA/docs/Settlement%20Agreement.pdf>

ments. For instance, youth referred for a MAT Assessment can obtain a medical report from either a Hub Clinic or a community provider. Although detained youth are mandated by DCFS to obtain an Initial Medical Examination at one of the Hub Clinics, a separate DCFS policy on MAT Assessments contradicts this requirement by allowing the assessments to include medical exams from community providers.

Secondly, per DCFS and DMH policy, the MAT Assessment must be completed within 30-45 days after acceptance of a referral. However, according to DMH management, though DCFS requires Initial Medical Examinations to be completed at the Hub Clinics within 30 days of initial placement, the actual timing of the Initial Medical Examinations does not always coincide with the 30-45 day requirement for the completion of the MAT Assessment. As discussed in Section 3 of this report, 22.9 percent of the referrals to the Hub Clinics in FY 2010-11 resulted in missed appointments. Because the findings of the MAT Assessment must be presented to the Court, the medical exam is often provided by a community provider.

As previously mentioned, a MAT team consisting of various stakeholders and service providers is assembled to evaluate the detained youth's condition and service needs. According to the Memorandum of Understanding between DCFS and DHS, one of the goals of the Hub Clinics is to "improve coordination and child health care outcomes." Though their input could be valuable, particularly for youth with Special Health Care Needs,<sup>11</sup> except for rare occasions, Hub Clinic staff do not participate in the MAT team meetings. Without the participation of medical Hub Clinic staff and PHNs in MAT team meetings, an opportunity is lost to improve coordination and integration of medical and other care in service plans.

PHNs could serve as the critical link between the Hub Clinics and the MAT Assessments because of their understanding of medical issues and their responsibility to counsel CSWs on medical issues related to their cases. With the approval of additional Title IV-E Waiver funds for hiring PHNs to be co-located at the Hub Clinics, DCFS and DHS should include attending MAT Assessments as one of the prioritized responsibilities of these PHNs.

### **Mental Health Screenings and Ongoing Mental Health Services**

An additional shared goal of the MAT Assessments conducted by MAT Providers and the Initial Medical Exams conducted at the Hub Clinics is to perform mental health screenings, identify mental health needs, and ensure linkage to additional services. Though there are shared goals in identifying mental health needs, the MAT Providers and the Hub Clinics were provided different mental health screening tools by DMH. In particular, the MAT Providers use a more in-depth screening tool. According to DMH management, the use of different mental health screening tools at the Hub Clinics is dic-

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<sup>11</sup> Special Health Care Needs is defined by DCFS Procedural Guide 0600-505.10 as: 1) a condition that can rapidly deteriorate resulting in permanent injury or death, or 2) a medical condition that requires specialized in-home health care.

tated by the varying levels of expertise of the screeners at the Hubs. Inconsistent training and the use of a different screening tool could potentially lead to: 1) inability to identify mental health services that are needed or 2) referrals for mental health services that are not needed.

Although DMH-contracted MAT Providers are able to provide MAT Assessments as well as ongoing mental health services, there is limited linkage between the MAT Providers and Hub Clinics for *ongoing* mental health services. There are 50 organizations in the County that contract with DMH to be MAT Providers and provide MAT Assessments and ongoing mental health services. In contrast, there are seven Hub Clinic locations and only two are affiliated with organizations that have contracts with DMH to be MAT Providers and ongoing mental health service providers: LAC+USC and Children’s Hospital. The East San Gabriel Valley Satellite Hub Clinic has access to mental health service providers through its affiliation with LAC+USC.

Data on mental health screenings at the Hub Clinics in FY 2010-11 illustrates that as high as 80 percent of youth screened at the clinics have a positive result, indicating a need for additional mental health services. Without strong linkages to the DMH system, these youth are in danger of not receiving needed mental health services, violating the intent of the Katie A. Settlement. Table 4-1 below shows the number of mental health screenings and results across all Hub Clinics in FY 2010-11.

**Table 4-1. Number of Mental Health Screenings and Results**

(FY 2010-11)

	ESGV	H-UCLA	LAC+USC	MLK	OV-UCLA	HD	CHLA	TOTAL
# Screenings	1,184	1,713	6,244	1,537	1,051	1,238	466	13,433
# Positive Results	482	859	3,253	322	844	802	369	6,931
<b>% Positive</b>	<b>41%</b>	<b>50%</b>	<b>52%</b>	<b>21%</b>	<b>80%</b>	<b>65%</b>	<b>79%</b>	<b>52%</b>

Source: DHS records

### System of Integration

LAC+USC and Children’s Hospital are the only Hub Clinics that are able to provide mental health services simultaneously or immediately after an Initial Medical Examination because they are both affiliated with larger organizations that contain separate mental health service divisions that are also DMH contractors. (The Violence Intervention Project is the parent non-profit organization for the LAC+USC Hub Clinic and the Children’s Hospital Hub Clinic is part of Children’s Hospital LA.) The East San Gabriel Valley Satellite has access to mental health providers through LAC+USC. The new Children’s Medical Village at LAC+USC, which is slated to begin operations in 2012, will also provide mental health services to its patients as part of its comprehensive, multi-disciplinary approach.

Two other Hub Clinics are poised to provide more direct linkages to mental health services. Though they are not officially affiliated, the Martin Luther King, Jr. Hub Clinic is located in the same building as SHIELDS, a DMH contractor and MAT Provider, while the Harbor-UCLA Hub Clinic is located a few bungalows away from Children’s Institute,

also a DMH contractor and MAT Provider. To help the Hub Clinics ensure that linkage to ongoing mental health services occurs for their patients, DHS and DCFS should require that each Hub Clinic establish contractual relationships with DMH contractors/MAT Providers to enable integrated mental health services at the clinics and documented assurances that Hub Clinic patients are receiving needed mental health services from those contractors.

The remaining two Hub Clinics, Olive View-UCLA and High Desert, do not have strong linkages to mental health providers at this time and currently do not have Clinical Psychologists on their staff. Olive View-UCLA Hub Clinic staff reported that they have limited access to Clinical Psychologists staffed by the hospital for emergency cases only (i.e. suicidal youth) and are rarely able to follow up on youth referred for mental health services outside of the hospital. The youth screened at Olive View-UCLA and High Desert could be receiving mental health assessments and services through other MAT Providers, but a stronger system should be established to coordinate the mental health screenings and services at the Hub Clinics to: 1) ensure that youth are receiving mental health services; and, 2) reduce any duplication of efforts.

Development of a more integrated system and structure for the MAT Assessment, Initial Medical Examinations, and ongoing mental health services would require the collaboration of the directors of DCFS, DHS, and DMH, along with MAT Providers and Hub Clinic staff. While DMH management generally agrees with the concept of better integrating the Initial Medical Examination and MAT Assessment processes as well as ongoing treatment, Department representatives raised a concern about ensuring an even distribution of workload among MAT Providers. For example, a MAT Provider located in close proximity to a Hub Clinic, could end up with a higher volume of referrals for services as compared to other MAT Providers.

DMH management noted that there is already an uneven distribution of workload among the MAT Providers because the distribution of funding to these contractors is based on where youth are detained, not where they are placed. For instance, a youth may begin the MAT Assessment Process in one service area, but must continue the Assessment or ongoing mental health services in another area because that is where he/she is placed. Even though DMH has a better understanding of the distribution of workload among the MAT Providers, DCFS is responsible for making referrals and MAT Providers respond to DCFS referrals on a first come, first served basis.

Therefore, in developing a more integrated system, DCFS, DHS, and DMH should consider developing agreements between the Hub Clinics and multiple MAT Providers in the same service area for one or more MAT Providers to provide office hours for mental health screenings/MAT Assessments and/or ongoing services at the Hub Clinics. This would allow multiple MAT Providers to each have a role in the provision of mental health services at the Hub Clinics as well as at other locations closer to the youth's home or placement location. Further, DMH should consider alternative contracting options to better align services needed by DCFS youth and services actually provided by MAT Providers, given that youth are placed in different areas throughout the County. Finally,

DMH and DCFS should have better oversight of the distribution of referrals and provision of ongoing mental health services among MAT Providers.

### Mental Health Services for Youth Ages 0-5 and their Families

Youth ages 0-5 are the most vulnerable population in the child welfare system. According to DMH management, one desirable skill for MAT Providers, which could help ensure the provision of mental health services to this target population, is the ability to identify the medical necessity of such services among the youth ages 0-5 and their parent(s). Identification of medical necessity is critical for ongoing treatment for mental health issues and is required for Medi-Cal reimbursement through State Early Periodic Screening, Diagnosis and Treatment (EPSDT) funds. Most of the child deaths among DCFS involved youth occur when they are placed in-home with their parents. A mental health service that could address the needs of youth ages 0-5 is collateral treatment, or mental health services provided to both the parent(s) and child.

To ensure that this population receives the mental health services it needs, DMH should continue training MAT Providers so they are all able to adequately screen, assess, and provide treatment to youth ages 0-5, including: 1) sufficiently identifying medical necessity, and 2) appropriately providing collateral treatment for the parent(s) and child. In addition to training staff, DMH should provide more support for the trained staff to help prevent staff burnout, while dealing with the traumatic experiences of vulnerable youth ages 0-5.

### **SUMMARY**

The Department of Children and Family Services (DCFS) has mandated that youth in the child welfare system receive mental health screening or assessment and appropriate linkage to mental health services in a timely manner, as part of the County's Katie A. lawsuit settlement. However, DCFS has created two separate systems by which a detained youth can receive such services, the Multidisciplinary Assessment Team (MAT) Assessment Program through its collaboration with the Department of Mental Health (DMH) and the Initial Medical Examinations at the Hub Clinics through its Memorandum of Understanding with the Department of Health Services (DHS).

The MAT Assessment process and the Initial Medical Examinations at the Hub Clinics may utilize separate sources of medical information for the assessment of a youth, sometimes have disjointed timelines, generally use different mental health screening tools, and have access to different providers for ongoing mental health services. Greater linkage between the two processes is needed for Hub Clinics to: 1) ensure that youth are receiving mental health services and 2) reduce duplication of efforts. Such integration should be developed by DCFS, DHS, and DMH, with input from MAT Providers and Hub Clinic staff. Additionally, a system or structure that provides greater integration should also take into consideration the distribution of referrals, assessments, and ongoing services among existing MAT Providers to allow for multiple providers to have opportunities to provide services in coordination with the Hub Clinics.

According to DMH management, two skills among staff of MAT Providers that could help further address the mental health needs of youth ages 0-5 are the abilities to: 1) identify medical necessity for ongoing mental health services among youth ages 0-5, and 2) provide collateral treatment, i.e., treatment of both the parent(s) and child. DMH has conducted training in these areas for MAT Providers in the past.

## FINDINGS

- 4.1. Linkage between the Multidisciplinary Assessment Team (MAT) Assessments and Initial Medical Examinations at Hub Clinics is very limited, though both are required by DCFS for newly detained youth. For example, medical reports from the Hub Clinics are not always completed or sent in time to be included in the MAT Assessments and Hub Clinic staff and Public Health Nurses do not participate in the MAT team meetings.
- 4.2. MAT Providers, i.e., community-based organizations contracted by DMH, and the Hub Clinics that are not MAT Providers, use different mental health screening tools, though the goal for both processes is to identify a youth's mental health needs.
- 4.3. There is limited linkage between the DMH-contracted MAT Providers and Hub Clinics for providing ongoing mental health services to clinic patients. Divisions of the LAC+USC and Children's Hospital Hub Clinics' affiliated organizations contract with DMH as MAT Providers and provide such services; the Martin Luther King, Jr. and Harbor-UCLA Hub Clinics are in close proximity to MAT Providers, but their linkage to these providers is limited; and Olive View-UCLA and High Desert's linkage to MAT Providers is not as strong as in the other Hub Clinics.
- 4.4. The Olive View-UCLA and High Desert Hub Clinics do not have any budgeted clinical psychologists on-site.
- 4.5. The distribution of referrals for MAT Assessments and ongoing mental health services from DCFS to DMH contract MAT Providers is uneven and is a concern by DMH management regarding the development of a more integrated system between the MAT Assessments, Initial Medical Examinations, and ongoing mental health services.
- 4.6. Youth ages 0-5 and their parents and families could benefit from ongoing mental health services when medical necessity is appropriately identified and when they participate in collateral treatment, or therapy that includes the parent and child.

## RECOMMENDATIONS – MENTAL HEALTH SERVICES THROUGH DMH

- 4.1. **The Director of the Department of Mental Health** should make the more in-depth screening tool available to all Hub Clinics and train staff on how to use the more in-depth screening tool to standardize mental health screens.

- 4.2. **The Directors of the Departments of Health Services, Children and Family Services, and Mental Health**, with input from MAT Providers and Hub Clinic staff, should develop a structure that better integrates the MAT Assessment Process and ongoing mental health services conducted by MAT Providers and Initial Medical Examinations conducted at Hub Clinics. Similar to the processes at LAC+USC and Children’s Hospital, in-depth mental health screenings should be conducted in conjunction with Initial Medical Examinations, and ongoing mental health services should be coordinated with Hub Clinic medical care.
- 4.3. **The Director of the Department of Mental Health** should address the following issues in amending agreements between DMH and MAT Providers in the same service area:
- Providing office hours for mental health screenings and/or ongoing services at all Hub Clinics.
  - Considering alternative contracting options to better align services needed by youth with those actually provided by MAT Providers.
  - Better oversight of the distribution of referrals and provision of ongoing mental health services among MAT Providers.
- 4.4. **The Director of the Department of Children and Family Services** should revise department policies to require PHNs to attend MAT Assessment meetings, particularly those co-located at Hub Clinics that are not already contracted by DMH to be MAT Providers.

## SECTION 5. TRANSITION AGE YOUTH SERVICES

The lower end of the range for Transition Age Youth (TAYs) typically begins between 14 to 16 years of age and the higher end of the range starts at 21 and ends at 25 years of age. Prior to January 1, 2012, most youth under the jurisdiction of DCFS had their cases terminated and were emancipated by the time they turned 18 years of age. There are exceptions to immediately terminating DCFS cases for youth on their 18<sup>th</sup> birthday. For example, if a youth has not graduated from high school or the Courts have found that the youth's basic needs, such as housing, have not yet been met, then the youth may remain under the jurisdiction of DCFS.

Per DCFS, as of November 30, 2011, there were 1,672 youth under the jurisdiction of DCFS that were 18 years old or older.<sup>12</sup> This population includes youth that are still in foster care, as well as those in independent living programs that are obtaining youth development services such as housing, employment and education services on a voluntary basis. From July 2011 through November 2011, only 141 youths aged 18 and older were referred to DCFS, none of whose case was opened. For youth 18 and older, DCFS services appear to be targeted toward transitioning the youth to independent living, as opposed to addressing concerns of possible abuse and neglect.<sup>13</sup>

National statistics illustrate the need to provide services to TAYs to prepare them for independent living. For example, 27 percent of the nation's homeless population spent time in foster care.<sup>14</sup> Additionally, in its *State of Homelessness in America 2011* report, the National Alliance to End Homelessness estimates that the odds that a youth emancipating out of foster care will be homeless within one year is one in six.<sup>15</sup> Finally, youth transitioning from foster care have disproportionately high rates of mental health, physical, and developmental problems.<sup>16</sup>

### Extended Foster Care – Assembly Bill 12

On September 30, 2010, the Governor of California signed into law Assembly Bill 12 (AB 12), which extends foster care services, including Federal funding, for eligible youth aged 18 and older (called “nonminors” in the following quotations). Eligible youth could remain within a foster care setting or live independently based on an independent living

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<sup>12</sup> Source: DCFS

<sup>13</sup> Ibid.

<sup>14</sup> Honoring Emancipated Youth. [www.heysf.org](http://www.heysf.org) League of Women Voters Life after Foster Care. League of Women Voters of California Education Fund, Juvenile Justice Study Committee, 2002. Available at <http://www.ca.lwv.org/jjds/chap6.html>

<sup>15</sup> State of Homelessness in America 2011. National Alliance to End Homelessness. <http://www.endhomelessness.org/content/article/detail/3668>

<sup>16</sup> Honoring Emancipated Youth. [www.heysf.org](http://www.heysf.org) American Academy of Pediatrics. Committee on Early Childhood, Adoption and Dependent Care. November 2000. *Developmental issues for young children in foster care*. Pediatrics, 106 (5), 1145-1150; Rest, E.R., & Watson, K.W. (1984). *Growing up in foster care*. Child Welfare, 62, 291- 306. Both cited in *It's My Life*, Casey Family Programs.

transition plan. A “nonminor dependent” is eligible for extended foster care services if he or she satisfies the age requirement:<sup>17</sup>

Effective January 1, 2012, these nonminor dependents shall be eligible to receive support up to 19 years of age, effective January 1, 2013, up to 20 years of age, and effective January 1, 2014, up to 21 years of age...

He/she must also meets one or more of the following conditions:<sup>18</sup>

1. The nonminor is completing secondary education or a program leading to an equivalent credential.
2. The nonminor is enrolled in an institution which provides postsecondary or vocational educational education.
3. The nonminor is participating in a program or activity designed to promote, or remove barriers to employment.
4. The nonminor is employed for at least 80 hours per month.
5. The nonminor is incapable of doing any of the activities described in subparagraphs (1) to (4), inclusive, due to a medical condition, and that incapability is supported by regularly updated information in the case plan of the nonminor.

Based on data provided by DCFS, the total population in Los Angeles County eligible for extended foster care services due to AB 12 is estimated to be between 3,800 (16 and 17 year olds as of Nov. 30, 2011) to 5,483 (including those 18 and older as of Nov. 30, 2011). However, this estimate does not include Transition Age and eligible youth that may enter or exit the child welfare system up until 2014, the expected sunset date for AB 12 unless it is extended by the State legislature.

Medical and mental health services for youth aged 18 years or older and under the jurisdiction of DCFS have been limited. However, there are services offered by DMH that youth can continue to receive after they turn 18, independent of their status with DCFS. With the implementation of extended foster care services under AB 12, DCFS, DHS, and DMH should improve or create systems to address the specialized needs of youth aged 18 years or older.

### **Medical Services for 18 Year Olds and Older**

Prior to the implementation of AB 12, DCFS provided youth aging out of the system with referral information on medical and mental health services and requirements for receiving Medi-Cal under the Former Foster Care Children Program (FFCC) which allowed coverage until the age of 21. However, the former foster care youth would have to renew their enrollment in Medi-Cal themselves, and DCFS management reported that not all of them were doing so.

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<sup>17</sup> California Welfare and Institutions Code §11403(a)

<sup>18</sup> California Welfare and Institutions Code §11403(b)

Since most Transition Age Youth are eligible for Medi-Cal coverage, they can obtain medical services from any Medi-Cal provider. There is no mandate or requirement for this population to go to a Hub Clinic. As a result, a majority of the Hub Clinics report serving very few youth aged 18 years or older.

### Medically Fragile/Vulnerable

Youth who are medically fragile/vulnerable are those with special needs due to a mental health diagnosis, developmental delay or a physical or medical condition that requires specific care.<sup>19</sup> As of November 30, 2011, there were 2,163 youth under the jurisdiction of DCFS identified as medically fragile/vulnerable, of which 198 were 18 years old or older.

Within the medically fragile/vulnerable group, there is a subgroup of youth receiving DCFS services from the Medical Case Management Services (MCMS) Unit. These youth have special health care needs defined as: 1) a condition that can rapidly deteriorate, resulting in permanent injury or death, or 2) a medical condition that requires specialized in-home health care such as an enteral feeding tube, ventilator, intravenous therapy, or other medical or surgical procedures or special medication regimens.<sup>20</sup> Youth under the supervision of the MCMS Unit require the most medical care and attention of all the medically fragile/vulnerable youth under the jurisdiction of DCFS. The MCMS Unit works with families, caretakers, and the youth to ensure that the youth obtain the medical services they need. As of February 2012, there was a total of 580 youth under the MCMS Unit, of which 52 are 18 years old or older.

The medical services for youth under the supervision of the MCMS Unit are funded through 1) Medi-Cal's fee-for-service or managed care, depending on their enrollment; 2) California Children's Services for special equipment such as wheelchairs and beds; and 3) Regional Centers<sup>21</sup> for services such as occupational, physical and behavioral therapy.

When youth under the supervision of the MCMS Unit turn 18, they may either remain under the supervision of the MCMS Unit because they are still in high school or the Courts have not terminated their DCFS cases due to severe health conditions. Medically fragile/vulnerable youth over the age of 18 who are eligible for long-term Regional Center services are transitioned to service coordination by their local Regional Centers. If a youth does not fall under any of these categories, he/she could be emancipated and transitioned out of DCFS or any other supervision and oversight.

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<sup>19</sup> DCFS Procedural Guide 0900-522.10 (Specialized Care Increment – D – Rate), DCFS Procedural Guide 0900-522.11 (Specialized Care Increment – F – Rate).

<sup>20</sup> DCFS Procedural Guide 0600-505.10 (Assessments of and Services for Children with Special Health Care Needs)

<sup>21</sup> Regional Centers are non-profit agencies under contract with the California Department of Developmental Services that help coordinate services needed because of a developmental disability. Depending on eligibility, most services offered at Regional Centers are free regardless of age or income.

Medically fragile/vulnerable youth aged 18 and older who do not remain with DCFS or who are not eligible for Regional Center services are at risk of abuse, isolation, homelessness, neglect, or self-neglect. However, these youth are eligible for referrals to Adult Protective Services (APS) so that they may continue to have contact with social workers and access to needed services. It is unclear if all medically fragile/vulnerable youth aging out of DCFS services are referred and transitioned to APS, when they are not eligible for Regional Center services, but DCFS should strive to make such referrals whenever possible.

According to DCFS management, the medically fragile/vulnerable youth under the supervision of the MCMS Unit only access or interact with Hub Clinic staff when they are newly detained and require an Initial Medical Examination. These exams provide the medical history for the newly detained youth. However, continued medical services are obtained at specialized clinics across public and private hospitals throughout the County.

Although Hub Clinics may not offer the specialized services and clinics needed by the medically fragile/vulnerable youth under the MCMS Unit, the Hub Clinics can still play a role as the medical home for youth with multiple medical providers and specialists within the hospital system affiliated with each Hub Clinic. The Hub Clinics can also serve as the medical coordinators for the medically fragile/vulnerable Transition Age Youth who are 18 and older and have not transitioned to Regional Center services, such as an 18 year old who is diabetic and is in constant need of insulin shots. To serve as the medical home, Hub Clinics would have to obtain and maintain all medical records for the patient from multiple service providers within the hospital system affiliated with each Hub Clinic. Currently, DCFS staff coordinates services across multiple providers in different hospital systems for these youth, and should continue doing so for youth with medical providers across both County and private hospital systems. However, the specialized medical knowledge of Hub Clinic staff could facilitate the transfer of medical information more easily for medically fragile/vulnerable youth with specialists in the same hospital system.

Ideally, youth aging out of DCFS would be transitioned to a program where they still have access to social workers and coordinated medical and mental health services either through a Regional Center, if developmentally disabled, or Adult Protective Services. For youth transitioned to Adult Protective Services, the Hub Clinics could complement the social services provided by coordinating the youth's medical services.

### **Mental Health Services for TAYs**

According to data provided by DMH, 3,904 DCFS youths with open DMH cases were aged 16 or older, representing 16.2 percent of the a total of 24,116 DCFS youths with open DMH cases. This also represents 71.2 percent of the 5,483 youth under the jurisdiction of DCFS who were 16 years old or older as of November 30, 2011. These youths could have received DMH services through any number of DMH programs pro-

vided throughout the County including: 1) services provided through the Multidisciplinary Assessment Team (MAT) Assessment Program,<sup>22</sup> 2) Full Service Partnership Program (FSP),<sup>23</sup> 3) Assertive Community Treatment (ACT),<sup>24</sup> and 4) Specialized Foster Care Intensive In-Home Mental Health Services (IIHMHS),<sup>25</sup> etc.

Only two of the seven Hub Clinics, LAC+USC and Children’s Hospital, have contracts with DMH and have multiple mental health service professionals onsite. The East San Gabriel Valley Satellite Hub Clinic has access to mental health service providers through its affiliation with LAC+USC.

Children’s Hospital is the only Hub Clinic that has services directed specifically toward Transition Age Youth. These are provided by the Children Hospital’s Division of Adolescent Medicine and located in a clinic separate from the CHLA Hub Clinic for younger children. Services for 12 to 21 year olds include specialized services for adolescents dealing with anger management, depression, substance abuse, homelessness, HIV and transgender issues. These services are provided to all adolescents, not just those referred to the Hub Clinic by DCFS.

Furthermore, LAC+USC hopes to obtain additional funding and resources to expand its Children’s Medical Village to include service for adults. This would require staffing the Medical Village with providers who are trained in both pediatrics and adult medicine, similar to the staff at the Children’s Hospital Division of Adolescent Medicine. Further, LAC+USC hopes to include Adult Protective Services staff in its proposed expanded Medical Village to provide easy access to social work services while remaining the medical home and coordinator of medical and mental health services for medically fragile/vulnerable Transition Age Youth aged 18 and older.

### **Targeted Medical and Mental Health Services for Transition Age Youth**

As discussed in Section 1 of this report, “The Model Medical Hub Clinic”, model Hub Clinics should serve as the medical home and provide onsite mental health services for youth under the jurisdiction of DCFS. With the implementation of AB 12, youth aged 18 years old and older will continue to be eligible for medical and mental health services at Hub Clinics. At this time, Children’s Hospital is the only Hub Clinic that is able to provide both medical and mental health services that are targeted toward the issues and

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<sup>22</sup> The Multidisciplinary Assessment Team (MAT) Assessment Program provides comprehensive assessments to evaluate a foster youth’s needs and strengths in various areas including medical, dental, developmental, hearing/language, education, mental health, vocational, and family/caregiver issues.

<sup>23</sup> The Transition Age Youth Full Service Partnership Program offers intensive services with 24/7 staff availability to help 16 to 25 year olds address emotional, housing, physical health, transportation, and other needs to help them function independently in the community.

<sup>24</sup> Assertive Community Treatment is a team-based approach to the provision of treatment, rehabilitation, and support services.

<sup>25</sup> A variety of services are offered under the Specialized Foster Care Intensive In-Home Mental Health Services (IIHMHS) program, including 24/7 intensive case management, Trauma Focused Cognitive Behavioral Therapy, Functional Family Therapy, as well as programs to assist caregivers with behavioral and emotional problems in young children.

concerns of youth 18 years old and older. Therefore, DCFS should encourage youth 18 years old and older with complex medical and/or mental health needs to go to the Children's Hospital services.

According to Children's Hospital staff, should referrals to the adolescent clinic from DCFS increase, the clinic would then consider applying for Federally Qualified Health Center (FQHC) status, which would allow the clinic to receive greater reimbursement for costs than they currently receive through Medi-Cal. However, until the adolescent clinic officially receives such a status, the clinic will need grant funding to absorb the additional referrals.

Children's Hospital is not conveniently located for all Transition Age Youth located throughout the County, particularly for the medically fragile/vulnerable youth aged 18 and older. DCFS, DHS, and DMH should work together to identify funding for additional transportation services to and from CHLA. Currently, Children's Hospital is able to provide transportation passes to youth participating in its Full Service Partnership Program, funded through a DMH contract. Similar funding should be identified or expanded for the additional DCFS referrals of youth to the Children's Hospital. For youth who are not located near public transportation, DCFS, DHS, and DMH should explore funding for van services. This type of service is already provided to youth living in the Lancaster/Palmdale area for services at the High Desert Hub Clinic.

Children's Hospital currently has the greatest capacity to serve the special needs of Transition Age Youth aged 18 and older. Additionally, resources could be designated or reassigned to LAC+USC to expand its Children's Medical Village to include medical services for adults and access to Adult Protective Services social workers to meet the medical and mental health needs of Transition Age Youth aged 18 and older.

## **SUMMARY**

Prior to January 1, 2012, most youth under the jurisdiction of DCFS were emancipated and their DCFS cases were terminated after they turned 18 years old. Though there were exceptions for some 18 year olds to remain under foster care and receive intensive case management services, a majority of the youth 18 years old or older received additional DCFS services on a voluntary basis but did not access medical and mental health services at the Hub Clinics. Though most of these youth were eligible for Medi-Cal after they turned 18, which could reimburse the Hub Clinics if used by the youth, their choice of medical provider was left up to them. None of the County-affiliated Hub Clinics made special efforts to encourage these youth to obtain medical care from them.

With the passage of extended foster care services through AB 12, as of January 1, 2012, youth under the jurisdiction of DCFS can remain in the child welfare system until the age of 21, as long as they meet certain criteria. Therefore, Transition Age Youth aged 18 to 21 could continue to use Hub Clinics for medical and mental health needs. Their medical care would continue to be reimbursed under the Medi-Cal fee-for-service arrangement, which provides a better cost recovery for the clinics than Medi-Cal managed care rates.

A majority of the Hub Clinics currently do not provide medical services to youth under the jurisdiction of DCFS that are 18 years old or older. Youth that are medically fragile/vulnerable currently receive medical services from specialized medical providers and clinics throughout the County. Further, only two of the Hub Clinics have Department of Mental Health contracts and multiple mental health providers at their Hub Clinics to provide mental health services to DCFS youth. Only Children’s Hospital LA offers an adolescent clinic that provides medical and mental health services targeted toward youth aged 12 to 21. However, LAC+USC has plans to expand its Children’s Medical Village with medical services for adults, particularly Transition Age Youth aged 18 and older, including access to Adult Protective Services social workers.

The Hub Clinics could serve as medical homes for medically fragile/vulnerable TAYs by coordinating services among the various specialized medical and mental health providers, as long as they are within the same hospital system. Such coordination would require additional training for the medical providers to be aware of the various issues specific to TAYs. Finally, DCFS and DHS could refer other medically fragile/vulnerable TAYs to Children’s Hospital to benefit from their specialized Adolescent Clinic and initiate a plan to establish similar specialty clinics for TAYs at some or all of the County Hub Clinics. The Hub Clinic with the greatest capacity for expansion of services for Transition Age Youth is currently LAC+USC because it is building a Children’s Medical Village with an aim to provide access to subspecialty medical services beginning in the summer of 2012.

## FINDINGS

- 5.1. According to national statistics, youth transitioning out of foster care are at risk and have higher rates of homelessness, as well as mental health, physical, and developmental problems. For example, 27 percent of the nation’s homeless population have been in foster care, while youth emancipating out of foster care have a one in six chance of being homeless within one year.
- 5.2. As of November 30, 2011, there were 1,672 youth under the jurisdiction of DCFS that were 18 or older. Prior to January 1, 2012, most of these youth were emancipated and their DCFS cases were terminated after they turned 18 years old. Most of these youth were only able to receive additional DCFS services on a voluntary basis and, though not precluded from doing so, most did not access medical and mental health services at the Hub Clinics which are generally geared toward children, and have not made efforts to encourage Transition Age Youth emancipating from the child welfare system to use their services.
- 5.3. With the passage of extended foster care services through AB 12, youth under the jurisdiction of DCFS may now remain in the child welfare system until the age of 21, as long as they meet certain criteria. Based on DCFS data on youth 16 years old and older and under DCFS jurisdiction as of November, 30, 2011, the estimated total number of Transition Age Youth that could remain in DCFS through 2014 ranges from 3,800 to 5,483 youth.

- 5.4. The number of medically fragile/vulnerable youth with special needs due to a mental health diagnosis, developmental delay or a physical or medical condition that requires specific care under the jurisdiction of DCFS was 2,163 as of November 30, 2011, of which 198 were 18 years old or older. Though Hub Clinics may not offer the specialized services and clinics needed by the medically fragile/vulnerable youth, the Hub Clinics can still play a role as the medical homes for youth who need to see multiple medical providers and specialists within the hospital system affiliated with each Hub Clinic.
- 5.5. The majority of the Hub Clinics currently do not provide medical services to youth aged 18 years old or older. Further, only two of the Hub Clinics have Department of Health contracts and multiple mental health providers onsite at their Hub Clinics to provide mental health services to DCFS youth. Only Children’s Hospital LA currently offers an adolescent clinic that provides medical and mental health services targeted toward youth age 12 to 21 years old. However, LAC+USC has plans to expand its Children’s Medical Village, which will provide access to several medical subspecialty services, to include adult medical services for Transition Age Youth aged 18 or older.

## RECOMMENDATIONS –TRANSITION AGE YOUTH SERVICES

- 5.1. **The Director of the Department of Children and Family Services** should require that CSWs refer Transition Age Youth to Adult Protective Services, where appropriate, if they are about to be emancipated from the jurisdiction of DCFS.
- 5.2. **The Director of the Department of Health Services** should require that the Hub Clinics also serve as medical homes for the medically fragile/vulnerable Transition Age Youth under the jurisdiction of DCFS who are receiving services from the hospital system affiliated with each Hub Clinic.
- 5.3. **The Director of the Department of Children and Family Services** should strongly encourage DCFS youth 18 years old and older with complex mental health needs to go the Children’s Hospital for mental health services or the other Hub Clinics to the extent they begin to offer age-appropriate services similar to those offered at the Children’s Hospital clinic.
- 5.4. **The Directors of the Departments of Children and Family Services, Health Services, and Mental Health** should collaborate to identify funding resources and provide transportation services for DCFS youth 18 years old and older with complex medical and mental health needs to obtain such needed services.
- 5.5. **The Directors of the Departments of Children and Family Services and Health Services** should identify resources, possibly including reallocating already approved Title IV-E waiver funds, for LAC+USC to expand its Children’s Medical Village to include medical services for Transition Age Youth, which would require staffing the Children’s Medical Village with providers that have both pediatrics and

adult medicine training, as well as access to Adult Protective Services social workers.

- 5.6. **The Directors of the Departments of Children and Family Services and Health Services** should provide additional training to current medical providers at the Hub Clinics to better identify medical and mental health needs of Transition Age Youth, and ensure linkages to specialized adolescent medicine and mental health, in order to provide age appropriate services for youth with expanded foster care services under AB 12.

**ACRONYMS**

<b>AB12</b>	Assembly Bill 12, “Extending Foster Care Services” signed 9/30/2010
<b>ACT</b>	Assertive Community Treatment
<b>CBRC</b>	Cost Based Reimbursement Clinic
<b>CGJ</b>	Los Angeles County Civil Grand Jury
<b>CHLA</b>	Children’s Hospital Los Angeles
<b>COLA</b>	Cost of Living Adjustment
<b>CSW</b>	Children’s Social Worker
<b>CWS/CMS</b>	Child Welfare Services Case Management System
<b>DCFS</b>	Los Angeles County Department of Children and Family Services
<b>DHS</b>	Los Angeles County Department of Health Services
<b>DMH</b>	Los Angeles County Department of Mental Health
<b>E-mHub</b>	Enterprise mHub medical referral and information-sharing system
<b>EPSDT</b>	Early Periodic Screening, Diagnosis and Treatment
<b>ESGV</b>	East San Gabriel Valley Hub Clinic
<b>FFA</b>	Foster Family Agency
<b>FFCC</b>	Former Foster Care Children Program
<b>FQHC</b>	Federally Qualified Health Center
<b>FSP</b>	Full Service Partnership Program
<b>FTE</b>	Full Time Equivalent
<b>FY</b>	Fiscal year
<b>H-UCLA</b>	Harbor-UCLA Medical Center
<b>HD</b>	High Desert Multi-service Ambulatory Care Center
<b>ICAN</b>	Inter-Agency Council on Child Abuse and Neglect
<b>IHMHS</b>	Intensive In-Home Mental Health Services
<b>LAC+USC</b>	Los Angeles County and University of Southern California Medical Center
<b>MAT</b>	Multidisciplinary Assessment Team
<b>MCMS</b>	Medical Case Management Services
<b>MLK</b>	Martin Luther King, Jr. Multi-service Ambulatory Care Center
<b>MOU</b>	Memorandum of Understanding
<b>OV-UCLA</b>	Olive View-UCLA Medical Center
<b>PHN</b>	Public Health Nurse
<b>TAY</b>	Transition Age Youth
<b>Title IV-E Waiver</b>	Child Welfare Waiver Demonstration Capped Allocation Project
<b>UCLA</b>	University of California, Los Angeles
<b>VIP</b>	Violence Intervention Program

## RECAPITULATION OF RECOMMENDATIONS

### RECOMMENDATIONS – MODEL MEDICAL HUB CLINIC

- 1.1. **The Directors of the Departments of Health Services and Children and Family Services** should consider amending their Memorandum of Understanding (MOU) to mandate coordination and oversight of the provision of mental health services (onsite or offsite of the Hub Clinics) for youth under the jurisdiction of DCFS.
- 1.2. **The Directors of the Departments of Health Services and Children and Family Services** should also consider amending their MOU to strongly encourage provision of ongoing primary care services at the Hub Clinics for high risk populations such as children between the ages of 0-5, non-detained youth who remain with their families while under DCFS jurisdiction, medically fragile Transition Age Youth aged 18 or older, or those with multiple placements.
- 1.3. **The Directors of the Departments of Health Services and Children and Family Services** should also consider amending their MOU to mandate that the Hub Clinics serve as a “medical home” to youth under the jurisdiction of DCFS for ongoing medical services. If that is not feasible for their caregivers, have their medical care provided by a community provider, overseen by DCFS and the court. CSWs should be responsible for ensuring that each child continually has a medical home while under the jurisdiction of DCFS, whether being seen at a Hub Clinic or by a community provider, and that a medical home is maintained every time the child has a placement change.
- 1.4. **The Director of the Department of Children and Family Services** should refer non-detained youth to a “medical home” at the Hub Clinics for ongoing medical services, to the extent feasible.
- 1.5. **The Director of the Department of Health Services** should track primary medical care visits at the Hub Clinics, in order to accurately quantify follow-up care for youth under the jurisdiction of DCFS, and to measure any given Hub Clinic’s progress toward implementing the medical home model.
- 1.6. **The Directors of the Departments of Health Services and Children and Family Services** should support the expansion of the Children’s Medical Village at LAC+USC to provide comprehensive medical and mental health services to non-detained youth and TAYs.

### RECOMMENDATIONS – STANDARDIZING THE HUB CLINICS

- 2.1. **The Directors of the Departments of Health Services and Children and Family Services** should collaborate and establish staffing, resource, service level, and cost per patient visit standards for the Hub Clinics to ensure that the same mix and level of services are provided to all youth under the jurisdiction of DCFS.

- 2.2. **The Director of the Departments of Health Services** should redefine Hub Clinic patient visits for the clinics' statistical reports so that the classification "Follow-Up Care" is refined to distinguish ongoing medical care from Initial Medical Examination and Forensic Evaluation follow-up services.
- 2.3. **The Director of the Department of Health Services** should produce monthly management reports for use by the countywide director of the Hub. These reports should include at a minimum:
  - patient visits by type
  - patient visits per medical provider
  - cost per visit
  - health outcomes
  - suspected cases of abuse and neglect
  - other measures of productivity and outcomes

## **RECOMMENDATIONS – DCFS ACCOUNTABILITY**

- 3.1 **The Director of the Department of Children and Family Services** should enforce the department's mandate for the utilization of Hub Clinics by revising the policies and procedures related to referrals to Hub Clinics and follow up for medical and mental health linkages.
- 3.2 **The Director of the Department of Children and Family Services** should require the DCFS managers at the regional offices to 1) use management reports, 2) hold individual supervisors and CSWs accountable for making Hub Clinic referrals, 3) follow up on missed appointments and 4) troubleshoot and problem-solve for youth that consistently miss Hub Clinic and mental health appointments. These duties would include identifying miscommunication or the lack of information transfer among different CSWs assigned to the same case at multiple points in time.
- 3.3. **The Directors of the Departments of Children and Family Services and Mental Health** should collaborate on a system that refers non-detained youth remaining in their family homes and their parents to outpatient mental health services for a period of six months after the date they enter into the child welfare system.
- 3.4. **The Director of the Department of Children and Family Services** should modify the department's current Title IV-E waiver plan, or apply any new waiver funds, to enable expansion of Hub Clinic services for non-detained youth who live in their family homes.
- 3.5. **The Directors of the Departments of Children and Family Services and Health Services** should collaborate on the assignment of co-located Public Health Nurses (PHNs) or Children's Social Workers (CSWs) at every Hub Clinic to specifically follow up on missed appointments and referrals for specialized services (medical and mental). A strong emphasis and priority should be placed on non-detained youth who miss their Forensic Evaluations. When extended hours are an option at the

Hub Clinic, the PHNs or CSWs should work during evening hours to conduct most of the follow ups to increase the probability of reaching caretakers.

- 3.6 **The Directors of the Departments of Children and Family Services and Health Services** should promote the use of the Hub Clinics as medical homes for children under the jurisdiction of DCFS by providing education to CSWs about the services and benefits of the Clinics and requiring the CSWs to communicate this information to caregivers.

## RECOMMENDATIONS – MENTAL HEALTH SERVICES THROUGH DMH

- 4.1. **The Director of the Department of Mental Health** should make the more in-depth screening tool available to all Hub Clinics and train staff on how to use the more in-depth screening tool to standardize mental health screens.
- 4.2. **The Directors of the Departments of Health Services, Children and Family Services, and Mental Health**, with input from MAT Providers and Hub Clinic staff, should develop a structure that better integrates the MAT Assessment Process and ongoing mental health services conducted by MAT Providers and Initial Medical Examinations conducted at Hub Clinics. Similar to the processes at LAC+USC and Children’s Hospital, in-depth mental health screenings should be conducted in conjunction with Initial Medical Examinations, and ongoing mental health services should be coordinated with Hub Clinic medical care.
- 4.3. **The Director of the Department of Mental Health** should address the following issues in amending agreements between DMH and MAT Providers in the same service area:
- Providing office hours for mental health screenings and/or ongoing services at all Hub Clinics.
  - Considering alternative contracting options to better align services needed by youth with those actually provided by MAT Providers.
  - Better oversight of the distribution of referrals and provision of ongoing mental health services among MAT Providers.
- 4.4. **The Director of the Department of Children and Family Services** should revise department policies to require PHNs to attend MAT Assessment meetings, particularly those co-located at Hub Clinics that are not already contracted by DMH to be MAT Providers.

## RECOMMENDATIONS –TRANSITION AGE YOUTH SERVICES

- 5.1. **The Director of the Department of Children and Family Services** should require that CSWs refer Transition Age Youth to Adult Protective Services, where appropriate, if they are about to be emancipated from the jurisdiction of DCFS.
- 5.2. **The Director of the Department of Health Services** should require that the Hub Clinics also serve as medical homes for the medically fragile/vulnerable Transition

Age Youth under the jurisdiction of DCFS who are receiving services from the hospital system affiliated with each Hub Clinic.

- 5.3. **The Director of the Department of Children and Family Services** should strongly encourage DCFS youth 18 years old and older with complex mental health needs to go the Children’s Hospital for mental health services or the other Hub Clinics to the extent they begin to offer age-appropriate services similar to those offered at the Children’s Hospital clinic.
- 5.4. **The Directors of the Departments of Children and Family Services, Health Services, and Mental Health** should collaborate to identify funding resources and provide transportation services for DCFS youth 18 years old and older with complex medical and mental health needs to obtain such needed services.
- 5.5. **The Directors of the Departments of Children and Family Services and Health Services** should identify resources, possibly including reallocating already approved Title IV-E waiver funds, for LAC+USC to expand its Children’s Medical Village to include medical services for Transition Age Youth, which would require staffing the Children’s Medical Village with providers that have both pediatrics and adult medicine training, as well as access to Adult Protective Services social workers.
- 5.6. **The Directors of the Departments of Children and Family Services and Health Services** should provide additional training to current medical providers at the Hub Clinics to better identify medical and mental health needs of Transition Age Youth, and ensure linkages to specialized adolescent medicine and mental health, in order to provide age appropriate services for youth with expanded foster care services under AB 12.

## REQUIRED RESPONSES

Recommendations	Responding Agency
1.1, 1.2, 1.3, 1.5 2.1, 2.2, 2.3 3.5, 3.6 4.2 5.2, 5.3, 5.4, 5.5, 5.6	Department of Health Services
1.1, 1.2, 1.3, 1.4 2.1 3.1, 3.2, 3.3, 3.4, 3.5, 3.6 4.2, 4.4 5.1, 5.3, 5.4, 5.5, 5.6	Department of Children and Family Services
3.3 4.1, 4.2, 4.3 5.3, 5.4	Department of Mental Health

# IDENTITY THEFT OF FOSTER CHILDREN



## COMMITTEE MEMBERS

**Diana S. Lee – Co-Chair**  
**R. Bruce McCormick – Co-Chair**  
**Bob Cremer**



# IDENTITY THEFT OF FOSTER CHILDREN

## INTRODUCTION

Identity theft is a national epidemic.<sup>1</sup> In 2010, 8.1 million U.S. adults were victims of identity theft. When this happens to an adult, normally the first thing to do is to file a theft report with the local police as soon as the crime is apparent. To prevent further corruption of the information, it is necessary to freeze the individual's account at the three credit reporting bureaus (CRBs), Experian, Equifax, and TransUnion. At that time, a Personal Identification Number (PIN) is issued by the CRB. This PIN is required to unfreeze the credit account after the identity theft has been resolved. This takes significant time and effort. Bank accounts may also have to be closed and new bank accounts opened. If so, payments for utilities, rent or mortgage payments, and other financial obligations must be connected to the new bank accounts. Various agencies such as the Social Security Administration and retirement payers must be notified of the new bank accounts where future monies are to be deposited.<sup>2</sup>

When foster children, who are wards of the Department of Children and Family Services (DCFS), become victims of identity theft, it may be several years before the crime is noticed because their credit accounts are not regularly monitored.<sup>3</sup> The information at the three CRBs could be very old, and collection agencies may have already been notified of the default. The correction process may not be as complicated for a foster child as it is for an adult and not include as many steps. It is still a complicated process, not something that should be a foster child's first introduction to adulthood. Furthermore, the discovery of the crime may occur at the time the foster child is aged-out of foster care, which is normally age 18, and is applying for employment or college admission. This could severely complicate either of these processes because companies and educational institutions are known to check credit records before hiring employees or admitting students.

The purpose of this investigation is to: 1) determine if methods can be developed and implemented to protect the credit records of foster children; and 2) reduce the effort required to remove those records so that foster children can enter the adult world without having corrupted credit records.

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<sup>1</sup> There were **10 million victims** of identity theft in 2008 in the United States (Javelin Strategy and Research, 2009).

<sup>2</sup> For detailed instructions on how to handle this process, refer to the California Office of Privacy Protection document on line at [www.privacy.ca.gov/about\\_us/contact\\_us.shtml](http://www.privacy.ca.gov/about_us/contact_us.shtml).

<sup>3</sup> **38-48%** identity theft victims discover someone has stolen their identity within three months, while **9-18%** of victims don't learn that their identity has been stolen for four or more years (Identity Theft Resource Center Aftermath Study, 2004).

## **BACKGROUND**

The State of California Welfare and Institutions Code was modified in 2006, and relevant stakeholders were advised to refer youths to approved organizations for assistance in responding to an instance of suspected identity theft (see Exhibit 1 for a list of current organizations found on the Internet that deal with identity theft, their service fees, and functions).

The State of California added Section 10618.6 to the Welfare and Institutions Code in February 2006, to read:

When a youth in foster care reaches his or her 16<sup>th</sup> birthday, the county welfare department shall request a consumer disclosure, pursuant to the free annual disclosure provision of the federal Fair Credit Reporting Act, (FCRA) on the youth's behalf, notwithstanding any other provision of law, to ascertain whether or not identity theft has occurred. If there is a disclosure for the youth and if the consumer disclosure reveals any negative items, or any evidence that some form of identity theft has occurred, the county welfare department shall refer the youth to an approved counseling organization that provides services to victims of identity theft. The State Department of Social Services, in consultation with the County Welfare Directors Association, consumer credit reporting agencies, and other relevant stakeholders, shall develop a list of approved organizations to which youth may be referred for assistance in responding to an instance of suspected identity theft. Nothing in this section shall be construed to require the county welfare department to request more than one consumer disclosure on behalf of a youth in care, or to take steps beyond referring the youth to an approved organization.

Unfortunately, identity theft is not necessarily a solitary event. It is often a continuing form of theft that is exacerbated by the fact that the foster youth identification card contains: full name, date of birth, and Social Security Number (SSN).

The State of California failed to recognize, in the Welfare and Institutions Code Section 10618.6, the recurring nature of identity theft and the cost of the services of commercial organizations involved in the correction of the credit records of identity theft victims. These commercial credit clearing organizations are expensive and encourage enrollment into a program with continuing expense to the person using its services. Examples of these services and their fees are shown in Exhibit 1.

As an alternative to commercial services, foster youths are better served by governmental organizations such as the Department of Consumer Affairs (DCA) in the County of Los Angeles in the removal of credit records because this governmental agency does not charge foster youths for its services.

## **METHODOLOGY**

The 2011-2012 Civil Grand Jury (CGJ) conducted interviews with personnel of DCFS and DCA to obtain pertinent information. They also researched the Internet to determine the extent of identity theft in the United States. The CGJ also investigated

the costs of the various organizations that provided services for a fee to correct corrupted CRB records.

The scope of the investigation consisted of interviews with DCFS and DCA personnel to determine what specific actions have been taken in the past.

## FINDINGS

The CGJ found that the Identity Theft Pilot Project dated August 2011 *A Better Start: Clearing Up Credit Records for California Foster Children*, written by the California Office of Privacy Protection, had three main objectives:<sup>4</sup>

1. Avoid having to make individual written requests for each child's credit report by developing a procedure for making an electronic batch request containing the identifying information on all age identified children, and transmitting it via a secure channel to the various CRBs.
2. Remove any records found from the children's credit reports without incurring significant workload or cost.
3. Protect the children from any further negative impact of fraud after remediation of the records found had been completed.

The Pilot Project submitted 2,110 records of 16 year-olds and found a total of 104 records (5% of the pilot project sample) had been corrupted or compromised.

The Pilot Project focused on removing the credit records of foster children rather than leading to the prosecution of identity thieves. According to the Pilot Project findings of the 16 year olds studied, the average age of a foster child when the fraudulent account was opened was 14 years old. Of the 104 records that were found to be corrupted, the largest fraudulent loans were: one home loan that was over \$200,000, four major loans, and three auto loans.

The Pilot Project removed the fraudulent records; however, it did not "suppress" the files of the foster children in the CRB records to prevent further identity theft. Suppression means that the credit record is not available to anyone except the foster child with adequate proof of identification, and a PIN is not required to be given to the various agencies or foster parents.

The corrupted records of the identified 16 year olds found in the Pilot Project should have been immediately suppressed to prevent any further degradation of the foster child's credit. The Identity Theft Project (ITP) was also created to accommodate the juveniles in the Foster Care System who are monitored by the Probation Department; however, this group of juveniles was not included in the Pilot Project.

The CGJ noted that Section §10618.6 added to the Welfare and Institutions Code did not address the need to protect foster children on a continuing basis from criminal corruption of their credit reports.

The information contained in the foster child's identification card is necessary for the persons or institutions that care for the foster child. In order to claim appropriate

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<sup>4</sup> [www.privacy.ca.gov/consumers/foster\\_youth.pdf](http://www.privacy.ca.gov/consumers/foster_youth.pdf), and see Exhibit 2.

Federal and State tax deductions and other financial inducements to caretakers of foster children, the SSN has to be provided to those agencies.

The CGJ determined that **prevention** of misuse of the information contained in foster children CRB files was preferable to the correction of these corrupted files by DCA. The CGJ's goal was to reduce the effort of DCA to a minimum in the future.

## RECOMMENDATIONS

1. **The Director of DCFS** should immediately instruct the managers and personnel to place the foster child's name, date of birth and SSN into all three CRBs and immediately suppress those records as soon as the child becomes a ward of DCFS. Foster children would be better served and protected from identity theft if their identifying information was immediately entered into CRB files as soon as they become wards of DCFS and these credit records were suppressed at the same time.
2. **The Director of DCA**, for all children that already exist in the foster care system, should clear and suppress the corrupted credit records of DCFS wards on a monthly basis as they turn 16. Assuming that birthdays are distributed evenly during any year, approximately 176 records would have to be checked by DCA each month or about nine records per day. When fraudulent credit records are deleted, they should be immediately suppressed to prevent further corruption.
3. **The Chief of the Probation Department** should work with DCFS and take the necessary steps to include Probation Department wards' information into the CRBs in the same manner as DCFS wards (see Recommendation 1).
4. **The Director of DCA** should assume the lead role in correcting the corrupted CRB records of foster children. Corrupted CRB records of foster children should be corrected by a governmental agency such as DCA to prevent the foster child from being exposed to the expense and complexity of dealing with the various commercial agencies that deal with identity theft (see Exhibit 1).
5. **The Director of DCA** should expand its existing telephone voicemail system to add a menu number for the aged out foster children who are encountering identity theft problems, and other problems unique to aging out of the foster care system.
6. **The Director of DCA** should solicit, train, and encourage the use of senior citizen volunteers to aid the aging out foster youths in dealing with preventing future identity theft and fraud. Senior citizen DCA volunteers could be used to assist the foster youths by educating and acquainting them with resources such as the proper use of credit and debit cards.

## REQUIRED RESPONSES

<b>Recommendations</b>	<b>Responding Agency</b>
1, 2	DCFS
2, 3, 4, 5, 6	DCA
3	Probation Department

## ACRONYMS

<b>CGJ</b>	Civil Grand Jury
<b>COPP</b>	California Office of Privacy Protection
<b>CRB</b>	Credit Reporting Bureaus
<b>DCA</b>	Department of Consumer Affairs
<b>DCFS</b>	Department of Children and Family Services
<b>FCRA</b>	Fair Credit Reporting Act
<b>IDPS</b>	Identity Theft Reporting Services
<b>IRS</b>	Internal Revenue Service
<b>ITP</b>	Identity Theft Project
<b>PIN</b>	Personal Identification Number
<b>SSA</b>	Social Security Administration
<b>SSN</b>	Social Security Number

**EXHIBIT 1. IDENTITY THEFT PROTECTION SERVICES<sup>5</sup>**

<b>Service Name</b>	<b>Price</b>	<b>Fraud Monitoring</b>	<b>ID Theft Insurance</b>
Identity Guard Full Protection	\$14.99/month, 30-day free trial	Monitors 3-bureau credit report, credit cards, public records, Social Security number, applications, Internet security	\$1,000,000
TrustedID	\$10.42/month, 14-day free trial	Monitors 3-bureau credit report, credit cards, public records, Social Security number, bank accounts, medical records	\$1,000,000
LifeLock	\$8.25 month, 30-day free trial	Monitors applications, credit cards, Social Security Number, driver's license, address change	\$1,000,000
PrivacyGuard	\$14.99/month, 30-day trial for \$1.00	Monitors 3-bureau credit report, Internet security	\$1,000,000
PROTECTmyID	\$10.35/month,	Monitors 3-bureau credit report, credit cards, new financial accounts or applications, address changes, public records	\$1,000,000
ID Patrol from <i>Equifax</i>	\$14.95/month	Monitors 3-bureau credit report, credit cards, Social Security number, optional Equifax credit freeze	\$1,000,000
IDENTITY Theft Shield	\$9.95/month for single bureau credit monitoring	Monitors 3-bureau credit report	None
Identity Guard Good Start	\$4.99/mo	Monitors Equifax credit report	none

<sup>5</sup> Excerpted from the Next Advisor website:  
[http://www.nextadvisor.com/identity\\_theft\\_protection\\_services/compare.php](http://www.nextadvisor.com/identity_theft_protection_services/compare.php)

IDENTITY THEFT

## EXHIBIT 2

# A Better Start: Clearing Up Credit Records for California Foster Children

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*Report on Results of a Pilot Project, August 2011*



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## Executive Summary

Children make attractive targets for identity thieves, because the crime is usually not discovered for many years, giving thieves years of unobserved use of the stolen identities. Foster children may be particularly vulnerable – the children and their sensitive information pass through many hands. And a newly emancipated foster child usually faces the daunting task of dealing with the results of the crime alone, without a family safety net to help.

Recognizing the predicament of foster children, in 2006 California enacted a law intended to clear foster children’s credit records before they leave the system. Although procedural flaws and limited funding have delayed implementation of this law, in 2010 progress was made through an implementation pilot project. This report describes the results.

Last year the California Office of Privacy Protection led the Los Angeles County Department of Consumer Affairs and the Los Angeles County Department of Children and Family Services, with the assistance of the three national credit reporting agencies, in a pilot project designed to test procedures for achieving the law’s intent. This report summarizes the result of the project team’s work on behalf of over 2,110 foster children in Los Angeles County, and it also recommends new procedures for use in helping this vulnerable population statewide.

### *Key Findings of the Pilot Project*

- The project team successfully cleared all negative items from the credit reports of 104 foster children.
- These 104 children (5% of the pilot project sample) had 247 separate accounts reported in their names, as the result of errors or identity theft.
- The average account balance was \$1,811, with the largest being a home loan of over \$200,000.
- The accounts found were two to three years old, opened when the child was 14 years old on average.
- 12% of the children had records loosely linked to them by Social Security number only, which while not affecting their credit ratings could nevertheless pose problems for them in the future.

## I. Foster Child Identity Theft

Child identity theft is a form of the crime that is attracting the attention of policy makers and news media.<sup>1</sup> Children would seem to make attractive targets for identity thieves, because the crime is not usually discovered until the victim reaches adulthood and first applies for credit, giving thieves years of unobserved use of the stolen identities. A child’s Social Security number is appealing to thieves because it is usually “clean” and does not show up in fraud databases.

There is very little empirical evidence available on the incidence of identity theft targeting children. A 2008 study found that fraud affected three percent of children in a small sample.<sup>2</sup> A more recent study of a larger but non-random sample of children up to the age of 18 found that 10 percent had at least one other person’s name associated with their Social Security number, a possible indication of identity theft.<sup>3</sup>

Foster children may be at a higher risk of becoming victims of the crime than other children. They suffer the added vulnerability of having their personal information pass through the hands of many people as they are moved around in the system, a point made in an oft-quoted news story from 2009.<sup>4</sup> Furthermore, the challenges faced by identity theft victims in dealing with the results of the crime are even more daunting for newly emancipated foster children. They may find out that they cannot rent an apartment, get a student loan or even get a job as the result of a credit history ruined by identity theft committed while they were in foster care. Without a family safety net to help them with the laborious process of clearing up their credit records, the repercussions can thwart their chances of a successful entry into adult life. A 2011 report by the Children’s Advocacy Institute cites identity theft as one example of the system’s failure to adequately prepare foster youth for life on their own.<sup>5</sup>

<sup>1</sup> See “Child Identity Theft Increases,” ATLANTA JOURNAL CONSTITUTION (July 2010) at [www.ajc.com/news/child-identity-theft-increases-572552.html](http://www.ajc.com/news/child-identity-theft-increases-572552.html); “Kids Face Heightened Identity Theft Threats in Summer,” CONSUMER AFFAIRS (June 2011), at [www.consumeraffairs.com/news04/2011/06/kids-face-heightened-identity-theft-threats-in-summer.html](http://www.consumeraffairs.com/news04/2011/06/kids-face-heightened-identity-theft-threats-in-summer.html); “BBB Advises Parents to Be on Guard for Signs of ID Theft Targeting Children,” at <http://tucsoncitizen.com/bbbconsumeralert/2011/06/23/bbb-advises-parents-to-be-on-guard-for-signs-of-id-theft-targeting-children/>.

<sup>2</sup> Javelin Strategy & Research, *Child Identity Theft Study* (October 2008), available at [www.javelinstrategy.com](http://www.javelinstrategy.com).

<sup>3</sup> Carnegie Mellon CyLab, *Child Identity Theft* (April 2011), available at [www.cylab.cmu.edu/files/pdfs/reports/2011/child-identity-theft.pdf](http://www.cylab.cmu.edu/files/pdfs/reports/2011/child-identity-theft.pdf).

<sup>4</sup> Jesse Ellison, *Sabotaged by the System*, NEWSWEEK (Feb. 7, 2009), available at [www.newsweek.com/2009/02/06/sabotaged-by-the-system.html](http://www.newsweek.com/2009/02/06/sabotaged-by-the-system.html).

<sup>5</sup> See Children’s Advocacy Institute and First Star, *The Fleecing of Foster Children: How We Confiscate Their Assets and Undermine Their Financial Security* (2011), available at [www.cachildlaw.org/Misc/Fleecing\\_Report\\_Final\\_HR.pdf](http://www.cachildlaw.org/Misc/Fleecing_Report_Final_HR.pdf).

## The California Foster Youth Identity Theft Law

Concern for the plight of foster child victims led the California Legislature in 2006 to enact a law intended to assist foster children with identity theft. The law requires county welfare departments to request credit reports, pursuant to the free annual disclosure provision of the federal Fair Credit Reporting Act, on behalf of children in foster care at the age of 16 to determine whether any identity theft has occurred.<sup>6</sup> It requires the county departments to refer the youth to an approved “counseling organization” that provides services to identity theft victims.

There are several problems with the processes required or implied in the statute which, along with a lack of funding to counties, have delayed its implementation. Legislation to correct some of the flaws in the existing law is currently pending in California.<sup>7</sup>

### Implementation Challenges

The first problem with the statute is the assumption that the standard, automated process used by an adult to request a credit report will produce the same result for a child. In fact, the process does not work for minors as it does for adults. An adult can order his or her free annual credit report from one of the national credit reporting agencies online or by phone. The consumer must provide identifying information, including date of birth, Social Security number and residential addresses for the past few years. The automated system then verifies the consumer’s identity by asking questions based on information in the credit file. For example, the system may ask which of five choices represents the consumer’s average monthly mortgage payment. If the consumer does not provide accurate identifying information or cannot answer the verification questions correctly, that is, with answers that match the information in the credit file, the system will not provide the report.

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<sup>6</sup> California Welfare and Institutions Code § 10618.6: When a youth in a foster care placement reaches his or her 16th birthday, the county welfare department shall request a consumer disclosure, pursuant to the free annual disclosure provision of the federal Fair Credit Reporting Act, on the youth's behalf, notwithstanding any other provision of law, to ascertain whether not identity theft has occurred. If there is a disclosure for the youth, and if the consumer disclosure reveals any negative items, or any evidence that some form of identity theft has occurred, the county welfare department shall refer the youth to an approved counseling organization that provides services to victims of identity theft. The State Department of Social Services, in consultation with the County Welfare Directors Association, consumer credit reporting agencies, and other relevant stakeholders, shall develop a list of approved organizations to which youth may be referred for assistance in responding to an instance of suspected identity theft. Nothing in this section shall be construed to require the county welfare department to request more than one consumer disclosure on behalf of a youth in care, or to take steps beyond referring the youth to an approved organization.

<sup>7</sup> AB 846 (Bonilla) of 2011, which is available at [www.leginfo.ca.gov/bilinfo.html](http://www.leginfo.ca.gov/bilinfo.html).

This automated system will rarely work to provide a minor’s credit report. The credit reporting agencies do not knowingly create records on minors, since minors cannot legally enter into contracts for credit. Thus any credit records on minor children are the result of fraud or error, with very limited exceptions. Any transactions reported are likely based on only limited elements of a minor child’s identifying information, perhaps name and Social Security number, but not the child’s address or date of birth. Since the child did not open the accounts or take the actions resulting in the reports, when the child or a parent attempts to check the child’s credit records, the identifying information provided and the answers to the verification questions will not match what is in the file. The automated system will return a report only when all the key information matches. The response to a request for a child’s record is often “no file found” or “the information does not match.” This does not, however, mean that there are no records associated with the child’s identity. In order to get certainty, a parent is advised to make a “manual” request for verification of the presence or absence of credit records in a child’s identity. The California Office of Privacy Protection provides a consumer information sheet with sample letters for parents to use.<sup>8</sup> As recommended by the credit reporting agencies, the information sheet advises parents to submit the child’s identifying information along with a copy of the parent’s driver’s license and copies of the child’s birth certificate and Social Security card, and to request a copy of any credit file maintained in the child’s name or Social Security number, or a letter confirming that no such file exists.

To comply with the law, then, county foster care programs would have to use a “manual” process of sending letters to the three credit reporting agencies, requesting a search for credit records for each of the 4,000-5,000 16-year-olds in the system – a clearly unworkable approach. What is needed is a procedure for making bulk requests for credit checks in a secure, automated manner.

Another problem with the law is its assumption that “counseling organizations” that provide services to victims of identity theft exist to which the foster youth can be referred. A perusal of the legislative history reveals that the author believed that consumer credit counseling agencies provided such services at no cost, which is not the case.<sup>9</sup> Such agencies provide debt consolidation services to debtors, for which they are paid by the consumer or by the creditors. Nor is it likely that 16-year-old foster children would be capable of doing the work of clearing credit records of fraud and errors themselves, even if provided with instructions and sample letters. What is needed is someone to do the work of contacting creditors and collectors, by letter and by phone,

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<sup>8</sup> California Office of Privacy Protection, *CIS 3B: When Your Child’s Identity Is Stolen*, available at [www.privacy.ca.gov/res/docs/pdf/cis3benglish.pdf](http://www.privacy.ca.gov/res/docs/pdf/cis3benglish.pdf).

<sup>9</sup> See August 7, 2006 Senate Appropriations Committee analysis of AB 2985, available at [www.leginfo.ca.gov/pub/05-06/bill/asm/ab\\_2951-3000/ab\\_2985\\_cfa\\_20060809\\_112312\\_sen\\_comm.html](http://www.leginfo.ca.gov/pub/05-06/bill/asm/ab_2951-3000/ab_2985_cfa_20060809_112312_sen_comm.html).

and communicating with the credit reporting agencies on behalf of the children. While some “identity theft protection” companies offer such services as a feature of packages that cost \$100 to \$200 or more per year, the services are not readily available to victims at no cost.

## II. The Pilot Project

For the past year, the California Office of Privacy Protection (COPP) has been working with the credit reporting agencies (CRAs), the Los Angeles County Department of Children and Family Services (DCFS) and the Los Angeles County Department of Consumer Affairs (DCS) to develop and test new processes for achieving the intent of the law.

All of the participants in the pilot project were committed to it, recognizing the importance of finding ways to help protect this vulnerable population from the additional burden of identity theft. The role of the three national credit reporting agencies – Experian, Equifax and TransUnion – is obviously central to addressing the problem. All three were very collaborative in helping to develop and implement the procedures for the pilot project. Our Los Angeles County partners, DCFS and DCA, were also significant participants. DCFS created and ran the report that produced the list of foster children and their identifying information, and then transmitted it to the CRAs. They provided workload impact information related to these tasks, which is useful in evaluating needed changes in the law. DCA shared with COPP the work of remediating the fraudulent and erroneous information found.

In addition to the primary goal of clearing the foster children’s credit records of fraudulent or erroneous information that could harm them in the future, we had several other objectives for the pilot project:

1. *Data Transmission*: Determine the feasibility of periodic bulk electronic submission of requests for credit reports and of secure data transmission procedures between the different parties.
2. *Remediation*: Identify organizations that can do the work of remediating problems found and determine the feasibility of clearing records without a police report.
3. *Suppression*: Determine the feasibility of “suppressing” the identities of the children whose records have been cleared to prevent new records from being attached to them while they are minors.

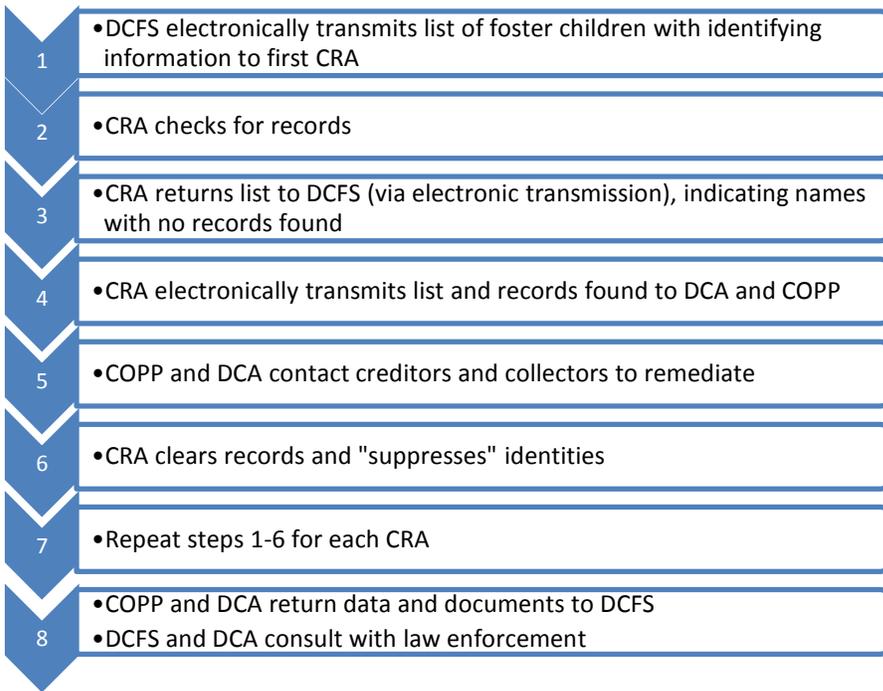
4. *Incidence*: Obtain an indication of the incidence and nature of identity theft and of fraudulent and erroneous information in foster children’s credit records.
5. *Future*: Encourage the CRAs to develop easier to use procedures for checking children’s credit records.

### **Data Transmission**

The first objective of the Project was to find a way to avoid having to make individual written requests for each child’s credit report. It would be overly burdensome on county foster care programs to send three letters, one to each CRA, for each foster child, and then to review paper copies of three reports for each child. Working with the CRAs, we developed a procedure for making an electronic batch request, containing the identifying information on many children, and transmitting it via a secure channel. The same secure channel was used to transmit data between the CRAs and the county foster care program (DCFS) and between the CRAs and the remediation agencies (COPP and DCA). See the data flow chart below (Figure 1).

The Pilot began with the transmission of the list to one CRA, in this case Experian (Step 1). Experian made automated and “manual” searches for records (Step 2). Experian transmitted the list and the records found to COPP and DCA (Step 4). After the remediation agencies (COPP and DCA) had completed clearing the Experian records found (Step 5), Experian verified that the records were cleared and prepared to suppress the children’s identities in their system (Step 6). The process then began again at Step 1 with the second CRA, TransUnion, and then with Equifax.

Figure 1. Data Flow Chart for Pilot Project



**Remediation**

The second objective of the project was to find ways to remove the records found from the children’s credit reports, without incurring significant workload or cost. The first hurdle was identifying organizations that could undertake the work of clearing the children’s records of information resulting from fraud or error. It was apparent that social workers in the foster care programs could not readily take on this new work. We found that in California, while some non-profit organizations and a few government agencies provide information for identity theft victims online and by phone, these organizations do not normally do the actual work of remediation for victims. We concluded that the two organizations best able to take on the remediation work were DCA and COPP, both of which have identity theft assistance programs.

Another challenge in clearing the records is the task of getting a police report of identity theft for each child. Under state and federal law, an identity theft victim needs such a police report to exercise the right to have fraudulent information removed from his or her credit records. It would be very cumbersome for a remediation agency to get police reports for a large number of foster children living in different jurisdictions. We wanted to see how successful we could be in getting information removed without having to get individual police reports.

## Suppression

The third objective of the pilot project was to find a way to protect the children from any further negative impact of fraud after remediation of the records found had been completed. The concept is to flag or “suppress” the identities of the children in the CRAs’ records to prevent further records from being added, potentially until the child reaches the age of 18.

## Other Objectives

While the pilot project was not designed to uncover instances of identity theft, we were nevertheless interested in seeing what the data might suggest about possible identity theft. In addition, we hoped that the credit reporting agencies would be able to draw on lessons learned in the pilot project to develop procedures that can be used to protect all minor children from identity theft. Such procedures could make it easier for parents and guardians to check for their children’s credit records and harder for creditors to grant credit to minors.

## III. Key Findings

Our project, like the California law, was focused on clearing the credit records of foster children, not on leading to the prosecution of identity thieves. Because we did not conduct investigations, in most cases we did not uncover how the information found came to be in the children’s credit records. In some instances, we learned that the information was most likely the result of error; in others, fraud seems a more plausible explanation.

### Records Found

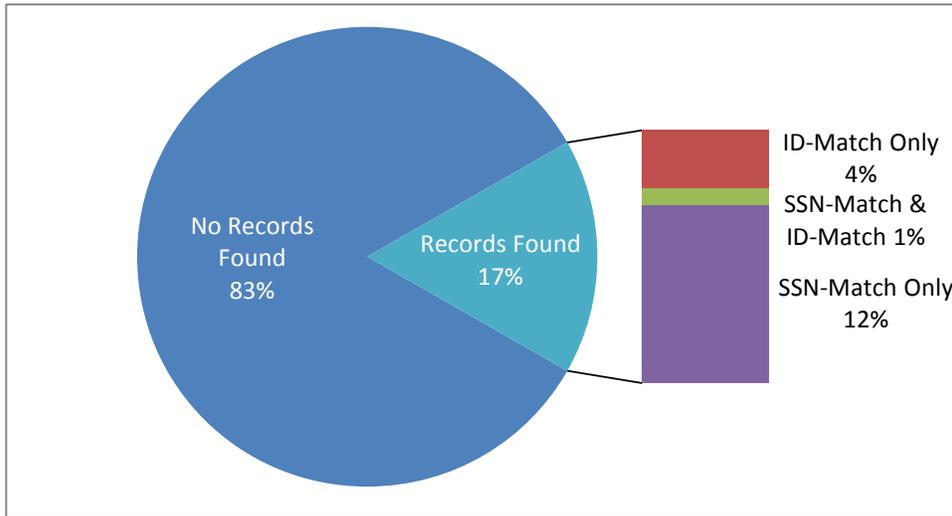
DCFS submitted the names and identifying information (date of birth, Social Security number, and address) of 2,110 foster children in Los Angeles County. Sixty-five percent of the children were in their 16<sup>th</sup> year (born 1994) and 35 percent were in their 17<sup>th</sup> year (born 1993).

After reviewing the records received from all three CRAs, COPP and DCA determined that 83 percent (1,761) of the children had no credit records associated with them. See Figure 2.

We found credit records associated with 17 percent (349) of the children. Thirteen percent (269) had records loosely associated with them, by Social Security number only, not the complete set of identifying information. According to the CRAs, the “SSN-only” records do not appear in the children’s credit reports and do not affect their credit ratings.

Nevertheless, the presence of a child’s SSN in these records may be the result of error by a creditor, collector, or CRA or may be an indication of identity theft. For further discussion of issues related to these SSN-only records, see Recommendation 4 at the end of the report.

Figure 2. Foster Children’s Credit Records Found

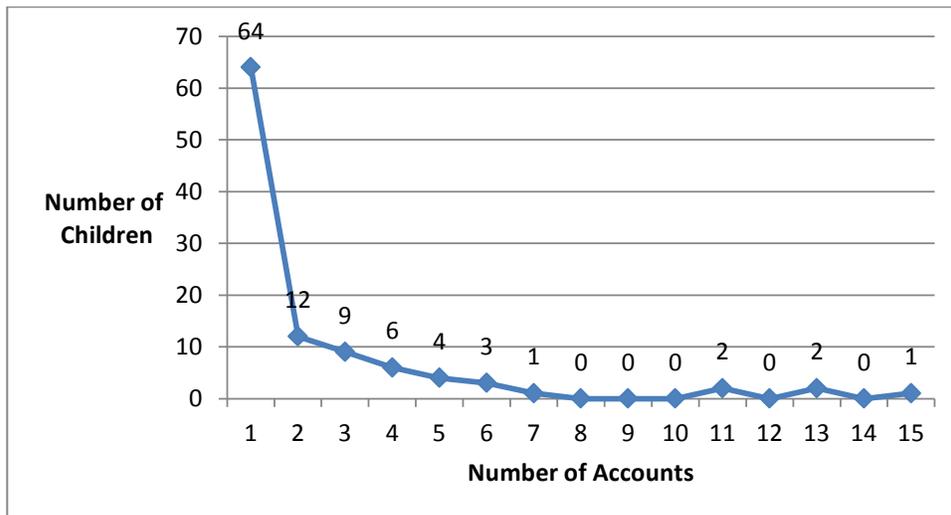


104 (5%) of the foster children had identity-match records.

Five percent of the children (104) had credit records that matched their identifying information, including 24 who also had “SSN-only” records. These identity-match records appeared in their credit reports and could cause problems for the children in the future, whether they result from identity theft or some sort of error. They were the records on which we focused our remediation efforts.

The 104 foster children with identity-match records had a total of 247 separate accounts, averaging 2.4 accounts for each child. The accounts were not evenly distributed, however, with 64 of the children having just one account and five of them having 10 or more accounts each. See Figure 3.

Figure 3. Accounts per Child



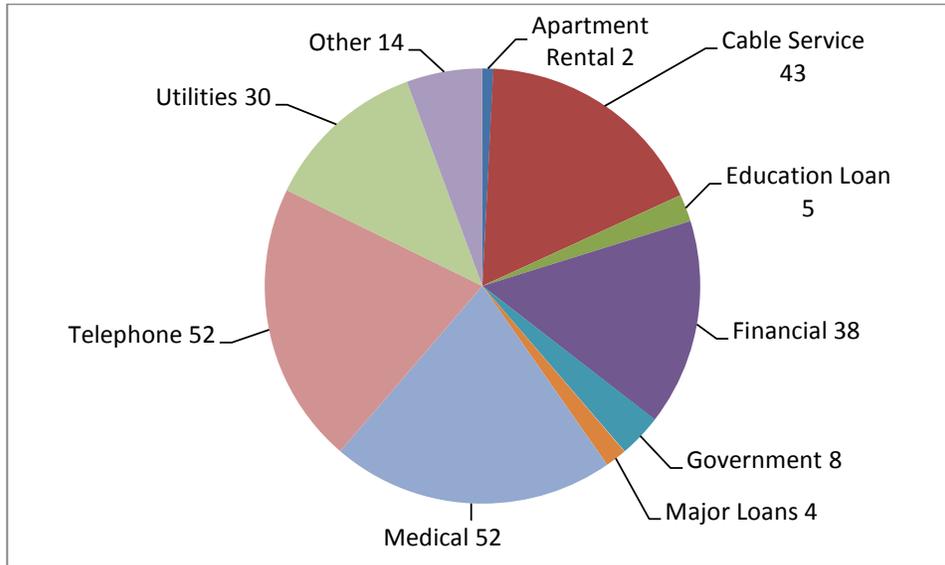
The accounts in the children’s records were not new, with 74 percent of them being in collection. The average age of a child when an account was opened was 14, two to three years before discovery in the credit report. The average account balance was \$1,811. This is the mean, while the median was lower at \$322, indicating a few large outliers.

In the course of remediation, we were able to identify 71 of these 247 accounts (29 percent) as errors, that is, they were associated with the child as the result of error. In these cases, the CRA, the collector or the original creditor wrongly reported or returned the account in the child’s identity, and we were able to confirm that fact. Twelve of the 104 children with identity-match records had only credit records confirmed as errors. We do not know how many of the other 176 accounts were ascribed to the children as the result of errors, nor how many of them resulted from identity theft.

The accounts were for a variety of purposes, the most common being medical accounts and telephone accounts at 21 percent each. (See Figure 4.) The average balance of the medical accounts was \$1,034. Over half of the medical accounts (29 of 52) were confirmed as resulting from errors. In one case, a medical facility said that their intake personnel were mistakenly putting the name of the patient (the child) in the field for the guarantor of payment; the facility is taking action to correct this procedure. In another instance, when the insurer denied payment, the hospital billed the legal guardian as guarantor and when the guardian did not pay, the bill was sent to collection. The collector pursued the patient as well as the guarantor. In another case, a debt collector was seeking someone with the same name and the report to the CRA went into the child’s records. The other medical accounts may be the result of the same kind of error, but because we were concerned about the serious implications of medical identity theft, we wrote to the

medical account issuers and encouraged them to review the children’s medical records for any indication of information related to another person and to purge or flag any such information found.

*Figure 4. Types of Accounts Found*



*274 accounts were found in foster children’s credit reports.*

The 52 telephone accounts were for land lines and mobile service, with four of them (8 percent) being confirmed as errors. The mean account balance was \$446.

The accounts with the largest balances were four major loans: three auto loans and one \$217,000 home loan. The mean balance on these accounts was \$79,550 and the median was \$14,558. All were confirmed as erroneously associated with the foster children.

The 38 other financial accounts (15 percent of total) were primarily for credit cards. A significant portion of them, 39 percent, were confirmed as the result of error. The mean account balance was \$1,238, and the median was \$472. The larger balances that drove up the mean were on four “authorized user” accounts. In these cases, the children had apparently been authorized by an adult account holder to use the adult’s account. Authorized users are not responsible for the obligation, but some creditors report such accounts to the CRAs. These accounts were in good standing and were not removed from the children’s credit records. See Recommendation 5 for more on “authorized user” accounts.

There were 30 accounts for household gas and electric utilities, including three that were confirmed as errors. The average balance on utility accounts was \$228. The five

education accounts were student loans, with an average balance of \$4,613. Three of them were confirmed errors. The other two education loan accounts were opened when the child was 17 and were in good standing; the accounts were not removed from the child’s credit record. The eight government accounts were for library fines in collection (three) and child support (five). The child support accounts had been erroneously reported in the child’s name rather than in the parent’s.

The 13 accounts we classified as “Other” included jewelry stores and other retailers, gym fees and rental cars. Four of these accounts were confirmed as errors.

*Figure 5. Amounts of Accounts Found*

	Mean Amount	Median Amount
Apartment	\$2,076	\$2,076
Cable	\$371	\$306
Education	\$4,613	\$4,693
Financial	\$1,238	\$472
Government	\$243	\$188
Major Loans	\$79,550	\$14,558
Medical	\$1,034	\$347
Telephone	\$446	\$330
Utilities	\$228	\$173
Other	\$1,091	\$640

**Remediation Results**

Our remediation efforts were successful. We were able to clear all the negative records from the credit histories of the 104 children with identity-match records. In some cases, our research confirmed that the records were reported in the child’s identity as the result of errors. In most cases, however, we had to establish that the child, the apparent account holder, was a minor. This is a different standard from what is needed to remove accounts from an adult’s credit record. In the latter case, the objective is to prove fraud, which is done by getting a police report of identity theft. In the former case, the objective is to prove minority: that the person in whose identity the records were created is a minor child who generally cannot enter into or be held responsible for credit contracts.

In order to handle the large volume of accounts to remediate, we began by contacting the privacy, compliance or legal office of the creditors involved. We explained the California law and our pilot project and asked to be given a contact to assist us in understanding, correcting and clearing up the children’s records. We made the same request of the California Association of Collectors, who agreed to help with any problems that arose with debt collectors nationwide. Paving the way at the policy level helped us explain the role of the Office of Privacy Protection and the Department of Consumer Affairs acting

on behalf of the Department of Children and Family Services in implementing the law. We then sent letters to all the creditors and collectors, informing them of the law and that the children we were representing were minors in foster care of the L.A. County Department of Children and Family Services. We requested that they close the named account, absolve the named child of all charges, and to report to the CRAs. We also asked the creditor or collector to send us a letter confirming the actions taken. Follow-up phone calls were necessary in most cases and at the end the CRA ran a new check to confirm that the accounts had been removed.

We started with credit report data from Experian, which included 193 identity-match accounts. When all the negative accounts had been cleared, we received data from TransUnion, which included 49 accounts, 13 of which had been previously cleared with Experian and 36 new accounts. When those had been cleared, we moved on to Equifax. Equifax's data showed 12 accounts, one of which had been previously cleared and 11 new ones.

We received the information in digital format, not as individual paper reports for each child. The format of the data facilitated analysis. It also made communications with creditors and collectors more efficient, allowing us to request action on multiple accounts in a single letter to a creditor.

### **Identity Theft**

One of the ancillary objectives of the pilot project was to obtain an indication of the incidence of identity theft among foster children. The most recent survey on identity theft in the adult population found a rate of 3.5 percent.<sup>10</sup> It is logical to expect a lower incidence of the crime among children, since they should not have credit or employment histories, and the likelihood of creditors granting credit in their absence should be low.

We cannot draw a firm conclusion on the rate of identity theft among foster children from the pilot project. We found credit accounts in the credit records of five percent of the children, but that does not necessarily indicate an identity theft rate of five percent. One percent of the children with records had only records that were confirmed as errors or as non-negative accounts (authorized users and student loans, see discussion on page 10). That leaves four percent as possible victims of identity theft. The rate may not be that high, because some of the potentially fraudulent accounts may in fact have resulted from errors. Or it may be higher, if the data in the SSN-only records, which did not appear in the children's credit reports, are indications of identity theft.

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<sup>10</sup> "2011 Identity Fraud Survey Report," Javelin Strategy & Research (February, 2011)

## Next Steps

### Protecting Children with Identity Suppression

It remains to implement the protective measure of suppressing the identities (or the files) of the 104 children who had erroneous or fraudulent records in their credit histories. The objective is to prevent new records from being added while they are minors. One of the CRAs has a process for doing this for child identity theft victims up to the age of 17, but the other two do not as yet. We are still working with the CRAs on this issue. See Recommendation 3.

### To Catch the Thieves

At the end of the pilot, the data received from the CRAs and copies of the clearance letters from creditors and collectors were provided to DCFS. We have suggested to DCFS that they add the clearance letters to the files of important documents that foster children receive upon emancipation, for use in the event that they experience problems with their credit records in the future. We have also encouraged DCFS to work with DCA in bringing the data to the attention of local law enforcement for investigation. See Recommendation 1.

### Scalability: Going Statewide

The procedures used in the pilot project for ordering credit reports and transmitting the sensitive data electronically among DCFS, the CRAs and the remediation agencies proved both efficient and secure. Based on the pilot project, the work of a foster care agency in creating and transmitting a report of foster children’s identifying information and then transmitting it to the three CRAs on a quarterly basis would amount to less than 100 hours a year plus one-time work at start-up of less than 50 hours. This workload would be the same regardless of the number of records in the report. For each of California’s 58 counties to do the same thing would mean 58 times the workload statewide.

The CRAs have said that they could not use the pilot project data transmission procedures for all the counties individually. We also have serious concerns about the security risks of involving so many entities in transmitting such sensitive data. The “manual” alternative of the county agencies sending individual written requests to the credit reporting agencies, providing the necessary documentation for each child, would be far more labor-intensive than making a bulk request electronically. The counties would then have to send the paper credit reports received to the remediation agencies, which would add to the workload and the security risk. The last thing we want to do is to expose foster children

to identity theft through the process intended to protect them from its consequences. See Recommendation 2.

#### **IV. Recommendations**

1. The California law on foster child identity theft focuses on clearing the children’s credit records of fraudulent or erroneous information that could harm them in the future, not on ferreting out identity thieves. Nevertheless, the data received from the credit reporting agencies for the pilot project should be helpful in identifying possible indications of the crime. We recommend that the Los Angeles County Department of Children and Family Services, which received the data at the completion of the pilot project, provide the data to law enforcement to review for indications of identity theft. We also recommend that the Department review the data for any implications for their own internal procedures and make any changes to those procedures indicated by their findings.
2. In expanding the foster child identity theft protection program statewide, California should strive to centralize requests for credit reports rather than make them on county-by-county basis. As discussed above, while the data transmission procedures used in the pilot project proved both efficient and secure, the credit reporting agencies have said they would not use the procedures for California’s 58 counties individually. An alternative would be to centralize the transmission of requests for credit reports at the state level, through the Department of Social Services, which has the data on foster children statewide. Or perhaps, since half the foster children in the state are in Los Angeles County, the County Department of Children and Family Services could continue to perform that task for their county, with the other 57 counties’ data being submitted at the state level.

The remediation activities could continue to be performed by the Los Angeles County Department of Consumer Affairs for that county and by the California Office of Privacy Protection for other counties, unless there are county agencies able to take on the remediation work. While the California law would allow for remediation to be performed by non-governmental organizations, we believe that a government agency is more likely to be successful in “certifying” to creditors and collectors the status of the children as minors in foster care.

3. We recommend that the credit reporting agencies explore the possibility of protecting children by offering parents and legal guardians, including foster care agencies, the ability to “suppress” the identities of minor children in the credit

reporting systems. The agencies might also explore developing a secure, automated procedure for requesting the credit records of minors.

4. We recommend that the credit reporting agencies consider how to address the potential for harm to children (and adults) of the agencies' maintenance and use of records tied to individuals by Social Security numbers only, such as the SSN-only records found in the pilot project. When two or more profiles are reporting information using the same Social Security number, the accuracy of the resulting records would seem to be in question and further disclosure of such inaccurate information can create problems for consumers.
5. We recommend that the credit reporting agencies consider how to limit the potential harm to minors of "authorized user" accounts reported by some data furnishers. The practice of some creditors (data furnishers) of reporting an account in the name of an authorized user may create problems for a minor child. An authorized user is not financially responsible for the obligation and we understand that such an account is not factored into calculations of the authorized user's credit score, although some of the creditors we spoke with believed that having a credit record as an authorized user helps the child establish a credit rating. The reporting of such accounts can inappropriately create a credit record for a minor and can result in debt collectors pursuing the child.

## Acknowledgements

The project that is the subject of this report was truly a team effort. Many participants were involved for over a year, from the first formulation of the plan to the completion of the report. The credit reporting agencies played an important role and I am particularly grateful for the assistance of Laura Mundy, Paul Hernandez and Cathy Jones of Experian, the agency that went first in pulling the credit records of the test population. Their willingness to answer our many questions and help us work through the project's complicated issues is very much appreciated. I also want to thank Diane Terry and her colleagues at TransUnion and Gary Poch and his at Equifax for their helpfulness.

At the Los Angeles County Department of Consumer Affairs, our partners in tackling the task of clearing up the records were Rigoberto Reyes, Dawnnesha Smith, Kirk Shelton and Alejandra Zepeda. Their expertise was invaluable and their camaraderie kept us going on what turned out to be a longer project path than we had originally envisioned.

I also want to acknowledge the contributions of the dedicated people who work full time on behalf of foster children: Harvey Kawasaki, Lisa-Marie Kaye, Jason Ly and Rhelda Shabazz at the Los Angeles County Department of Children and Family Services, and Theresa Thurmond at the California Department of Social Services.

And finally this task would not have been possible without the devoted project team at the California Office of Privacy Protection. Debra Castanon took on a lead role and resolved the most difficult issues throughout the project. Nicole Lee worked on the project for over a year, arranging meetings, keeping records, and advocating the interests of the children with hundreds of creditors and collectors, with the assistance of Christina Savage. Christina Halle also did important work in ensuring the quality of the data and uncovering its significance.

Everyone who worked on this project demonstrated not only skill and dedication, but also great empathy for California's foster children.

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**THE PATIENT PROTECTION  
AND AFFORDABLE CARE ACT  
Challenges and Opportunities for Senior Care**



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# **THE PATIENT PROTECTION AND AFFORDABLE CARE ACT**

## **Challenges and Opportunities for Senior Care**

### **INTRODUCTION**

This investigation examines senior services provided by Los Angeles County in light of the federal Patient Protection and Affordable Care Act (ACA). This Act provides an opportunity for the County to use the mandated changes of the ACA to provide and integrate home-based, community-based, and institution-based services for seniors.

The ACA addresses both reducing medical health care costs and enhancing health care delivery. It has a broad focus that encourages a comprehensive delivery system that includes preventing illness and staying well, in tandem with treating illnesses. In seeking to reduce costs, the ACA will support a shift from more expensive institutional care to utilization of community and in-home services. The ACA describes the "medical home", which is defined in the Los Angeles County Department of Health Services Strategic Plan as "management of a panel of patients in a continuous and coordinated fashion, having a team-based approach to care, and using health information technology (i.e. patient registry)." (Los Angeles County Department of Health Services Strategic Plan update, August 15, 2011) An additional component of the ACA is emphasis on electronic record keeping, which supports both cost containment and effective delivery of services.

While the ACA is designed to improve health delivery and contain costs for all ages, this investigation has as its focus the senior population of Los Angeles County. The two foci of the ACA, cost containment, and emphasis on health as inclusive of wellness, as well as treatment of episodic illness, are particularly relevant to seniors who are frequent consumers of health care and who typically have more challenges to remain healthy.

The concept of "aging in place" assumes that seniors can receive a variety of services in their own environment that will keep them healthier longer, thus avoiding, or at least delaying, a move to institutional settings such as nursing homes. "Aging in place" assumes seniors will receive help in activities of daily living, as well as psychological, emotional, social, and cultural support when/if they need it in order to optimize their well-being. The financial savings inherent in staying well, by utilizing continuing care at home versus institutionalization, is unquestioned.

In an American Association of Retired Persons (AARP) 2010 survey of adults aged 45 and older, 73% strongly agreed with the statement, "What I'd really like to do is stay in my current residence as long as possible." The quality of life is superior for most seniors, when/if they suffer some loss in mobility, hearing, sight, and often income, when their family, friends, neighbors, and cultural networks remain intact. The stories of children looking for support for their aging parents are ever-present and an every family struggle, regardless of economic standing. More often than not, a disappointing

outcome is reported. The children, called the “sandwich generation” because they are dealing simultaneously with their own needs, the needs of their children, and the needs of their aging parents, are looking for best practices for those who loved and nurtured them to adulthood.

## **METHODOLOGY**

The 2011-2012 Los Angeles County Civil Grand Jury (CGJ) interviewed in a forum setting representatives of County departments and agencies serving seniors. Additionally the CGJ visited with individual County leaders to address objectives, programs, and initiatives. Internet research provided a number of reports and information regarding how other jurisdictions are currently responding to the ACA. Letters of inquiry were sent to, and reports received from, the Los Angeles County Departments of Health Services (DHS), Mental Health (DMH), Public Health Services (DPH), and Community Senior Services (CSS), and the Chief Executive Office (CEO). An exit interview with appropriate county leadership was conducted.

## **BACKGROUND**

There are three concepts within the ACA that are core to this investigation:

- Health care costs must be contained.
- Health care includes preventive care and proactive management of health, not just treatment of episodic illness.
- Computerization and integration of health records facilitates communication between health care providers and leads to better treatment, as well as contributing to cost containment.

### **Health care costs must be contained.**

The cost of health care in the United States is burgeoning. It exceeds that of any other country. The California Health Care Foundation provides the following information: In 2010, the cost of health care in the U.S. was 17% of the Gross Domestic Product (GDP) and is projected to reach 20% by the year 2016. Premium costs for health insurance doubled between 2000 and 2009. This country has the world’s most expensive health care system. In 2011, Medi-Cal spending alone was estimated to account for nearly 25% of total state spending, or 83 billion dollars.

The extremely high cost of health care, when coupled with the Federal and State deficits, mandates health care cost containment.

Seniors are high users of health care. The significant growth in the size of the senior population dramatically increases the need for senior health services with concurrent attention to rising costs. The cost of providing health care for seniors 65 years of age and older is at least three to five times greater than costs for those younger than 65 years of age (Source: DPH). Both the federal government and the State of California

have initiated changes in reimbursements for Medicare and Medi-Cal. Initially included in the ACA was long-term care, which has been dropped due to untenable cost.

It is of special interest to this investigation that DHS initiatives do not include Nursing Home Care or Assisted Living, which are the primary care systems for the frail elderly. A CGJ survey of prices in a number of Continuing Care Retirement Communities in Southern California indicates that the average cost of nursing home care in Southern California in 2011 was \$209 per day for a semi-private room. On average, the cost of care in an assisted living facility is about one-half of that amount. (Source: Independent review of seven retirement communities in Los Angeles County)

Seniors who cannot find available in-home care, and must seek institutional care, find their assets rapidly depleted. A common scenario is that they then become entitled to Medi-Cal, which transfers costs to the government. Nursing home care costs Medi-Cal \$3.8 billion annually, and in-home health and personal care cost Medi-Cal \$6.5 billion in 2008. While there is an assumption that Medicare provides for most seniors, the loss of support in independent settings ends up being a major cost to the State. The average nursing home resident takes 9+ medications of which 25.6% are anti-psychotic. The model of treatment of frail elderly is not cost-effective and is a questionable approach to wellness health. [Medicare and Medicaid Services (CMS), Medicare Data System, 2010 (MDS) (Pacific Research Institute in cooperation with the Center for Long-Term Care 2010)].

The states of Washington and Oregon, along with other states, have provided waivers so that Medicaid can include assisted living, not just the more expensive skilled nursing. This provided that nursing home residents with disabilities would be moved to assisted living facilities, a cost saving of one-half over nursing home care. However, the impact was just the opposite with seniors of modest means. When seniors, living alone and needing the kind of care that could be provided under “aging in place”, upgraded to assisted living to attain additional benefits and financial support not currently available in home settings, the costs were substantially increased. The “medical home” concept of physician-patient relationship will be supportive of seniors who wish to secure in-home resources and support.

**Health care includes preventive care and proactive management of health, not just treatment of episodic illness.**

A key component of the ACA is the concept of the “medical home” led by primary care providers, and employing a team approach utilizing physicians, specialists, registered nurses, pharmacists, and other professionals. The focus of the “medical home” is on the physician-patient relationship, thus creating a new care model that supports keeping a person well, rather than limiting the focus to treatment of a specific illness.

The ACA also fosters a broader understanding of health. While focused in medical health, it expects health care to address the whole person. In order to keep seniors well, it suggests that there is a range of services including housing, safety, transportation, nutrition, and support activities of daily living.

The goal of wellness has already been adopted by the Los Angeles County Commission for Older Adults (LACCOA; <http://css.lacounty.gov/laccoa.aspx>): “It is our mission to deliver quality services that promote independence, dignity, prosperity, choice, and social well-being to seniors, adults, youth, and the business community.” LACCOA has a goal to integrate care management “to promote and maintain independent living for frail elderly and adults. Care managers link clients with a full range of appropriate services and available funding sources.” The budget for 2010-2011 was \$138 million.

“Healthy Women: Wellness Across The Life Span”, a program of the Department of Public Health (DPH), emphasizes a major tenet of the ACA, keeping people well. “The leading causes of death have shifted from infectious diseases to chronic diseases and degenerative illnesses.” There is evidence that many seniors with disabilities, a normal process of the last third of life, are diagnosed as ill and treated under the illness delivery system. “Poor health is NOT an inevitable consequence of aging, and having good quality of life should be the expectation, not the exception.” (DPH: “Healthy Women: Wellness Across the Life Span”, 2010).

In-Home Supportive Services (IHSS) under the Department of Public Social Services is addressing services that are defined as instrumental activities of daily living. Feeding, dressing, bathing, and companionship are examples. These services are important to the wellness of the individual, including both physical and mental health.

Already, the trend in senior care has moved away from institutional skilled nursing facilities. Faced with unsustainable health care costs and downsizing of Medicare and Medicaid reimbursements, institutional centers are embracing a model that allows persons to remain in their homes and receive medical and social components of care with a managed care network of providers.

**Computerization and integration of health records facilitates communication between health care providers and leads to better treatment as well as contributing to cost containment.**

Information technology has advanced faster than most governmental entities have adapted to its possibilities. The ACA assumes that medicine can be practiced more efficiently using electronic records and integrated systems to manage care. Los Angeles city and county have taken some steps to update information technology. One example is that the Los Angeles Police Department has developed a communications network for 911 responders, with police, fire, and medical co-ordination. Currently there is work on the development of the Enterprise Health Record (EHR) and the Enterprise Master Person Index (EMPI).

DHS has included plans for a web-based system to store and share patient information with community providers. DHS is seeking funding of \$283 million for this initiative

## **CORRELATION WITH CALIFORNIA LEGISLATIVE INITIATIVES**

While this investigation focuses on senior services provided by Los Angeles County in light of the ACA, the State of California also plays an integral role in the regulation and

provision of senior services. State legislative initiatives were also reviewed, including the following pending legislation: AB 1585, SB 654, and SB 1220, relating to affordable senior housing, AB 1698 relating to in-home services, SB 810 relating to insurance exchange, AB 2206 relating to PACE programs, and AB 1733 relating to technology.

Of particular note is SB 208, already passed, the California Pilot Program for Duals Demonstration Overview 2011, which addressed coordinated care delivery for dual eligible persons who qualify under both Medicare and Medicaid. (The following quote is from “California Pilot Program for Duals Demonstration Overview,” 2011)

While Medicare is the primary payer for dual eligibles, the Medi-Cal program plays a significant role in covering their out-of-pocket expenditures and pays for most long-term care services. Medicare and Medi-Cal often work at cross-purposes, however, because they have different payment rules and cover different services. For beneficiaries, this means no single entity is responsible for ensuring they receive necessary services – both medical and social.

The state invited some counties to participate in a pilot project. Los Angeles County has some 378,000 persons having dual eligible entitlement. Of these, 71% are seniors. On April 5, 2012, Los Angeles County was selected to participate in this pilot project.

This dual eligible pilot initiative is consistent with the ACA “medical home”. By seeking collaboration within departments, utilizing the concept of “aging in place”, and achieving cost containment, participating in this project will benefit both Los Angeles County and seniors. The program pilot initiates the major shift from institutional care to in-home care and can be easily replicated in the general population of seniors.

## **FINDINGS**

Los Angeles County has a unique opportunity to be in the forefront nationally in changing care for senior residents by taking advantage of the mandates of ACA and the implications of “aging in place”. A key is increased coordination and collaboration between the leaders of departments and agencies serving seniors.

The Los Angeles Civil Grand Jury (CGJ) investigation finds that Los Angeles County, Department of Community Senior Services (CSS), has already taken steps that pave the way for implementation of the federally mandated ACA. The Seamless Senior Services (S3) initiative was launched in April 2008 with a charge to be proactive and better prepared to address the future needs of Los Angeles County’s seniors. The report noted that Los Angeles County has the highest number of seniors of any county in California and that the number of seniors is projected to double by 2030. The initiative identified some 100 programs across 24 departments and named seven critical programs: Area Agency on Aging, Senior Centers, Veterans Affairs, Older Adults System of Care, Public Guardians, In-Home Supportive Services, and Adult Protective Services. The recommendations resulting from the S3 study, while not fully implemented, and not specifically related to the Department of Health Services (DHS), provide a strong basis for implementing ACA in the County.

DHS developed a strategic plan in March of 2011 to serve as a guide for transformation over the subsequent three years, and updated the plan in August of 2011. The first goal directly addresses the ACA.

Strategic Goal 1: Transform the Los Angeles DHS from an episodic, hospital focused system to an integrated high-quality delivery system including community-based primary care and behavioral health providers focused on prevention, early intervention, and primary care with appropriate referrals for specialized services.

Several specific strategies to accomplish that goal were identified:

- Develop a centrally-managed web based system for determining eligibility and implementing enrollment of patients for Medi-Cal, Healthy Families, and other Federal, State, and County programs.
- Create a method of assigning managed care (e.g. Healthy Way L.A., Seniors, and Persons with Disabilities) and other patients with chronic diseases to medical homes at the appropriate level and facility including Community Partners providers and allow for ongoing panel management and emphasis on continuity of care at the primary provider level.
- Develop a web-based record that identifies the medical home of safety-net patients, including those of private providers that can be used at hospitals and community-based sites.
- Increase the number and capability of available primary care Medical Homes...
- Improve patient experience with ambulatory care by emphasizing the shift of services and infrastructure from episodic care to a longitudinal care model that relies on a patient-physician relationship, 76 preventive services, and chronic disease management.
- Integrate physical health services with behavioral health services.
- Develop ability to offer home care services to appropriate patients.

(The above excerpts from the DHS Strategic Plan):

There are a wide variety of quality programs for seniors already available in Los Angeles County. However, it is difficult for seniors and those who work with them to know what services are available and how to access them. Services are offered across a range of different departments and agencies. Clarity is needed regarding which services are available though which entity. An example is confusion over whether a service is available though an agency providing service for the disabled, or an agency providing service for the elderly.

For many seniors and their families it is difficult to distinguish between needs that arise from daily living, from illness, or from disability. There is a clear need for both print and web-based directories and descriptions of services so that seniors, their families, their physicians, and social services providers can identify providers and access services appropriate to their changing needs.

Nonetheless, Los Angeles County is well situated to implement the mandates of the ACA. With the County's large and growing population of seniors, the Senior Seamless Services Initiative, a well-planned effort to integrate and co-ordinate services for seniors, and the work the Department of Health Services has already completed developing their strategic plan, the critical elements are in place. The county already has multiple service networks to address the federal "medical home" concept, has a managed care model of delivery in place, and is planning an electronic integrated record system that can incorporate senior services and build the communications network. The opportunity for Los Angeles County to participate in the pilot project mandated by SB 208 is timely and essential.

## RECOMMENDATIONS

1. **The Los Angeles County Chief Executive Officer** should initiate a meeting with the Department of Health Services (DHS) and the Department of Community and Senior Services (CSS) and other community based services for seniors, to examine services in light of the Patient Protection Affordable Care Act (ACA), and propose an overall strategy to the Board of Supervisors to enhance collaboration and cooperation between the many county entities that serve seniors. While the focus of the ACA is related to health issues, the goal of comprehensive health care for seniors involves the range of services represented in the Seamless Senior Services Initiative (S3). There is an opportunity at this time as the DHS is planning for implementation of the ACA to make LA County a national leader in senior health care.
2. **The Los Angeles County Board of Supervisors** should take advantage of the California Dual Eligible Pilot Project for those dually eligible for Medicare and Medi-Cal. The CEO office, DHS and all other related departments should take necessary steps to support inclusion of Los Angeles County by the State of California in the initial project.
3. **The Director of the Los Angeles County Department of Health Services** should:
  - Take advantage of the opportunity to initiate change in delivery of care, and the integration of the "medical home" concept across department programs and services for seniors.
  - Seek opportunities for team building to address implementation of the ACA initiatives in an "aging in place" modality.
  - Develop a strategy for the Board of Supervisors that extends the "aging in place" model for seniors in LA County.
  - Participate in a Dual Eligible Pilot to the fullest extent possible
  - Develop a comprehensive evaluation of the challenges and cost/benefits of the pilot at one and three years into implementation for the purposes of examining the merits of and ways to expand the program to the general population.
4. **The Los Angeles County Chief Executive Officer** should promote the integration of information technology systems related to senior services, including the

Enterprise Health Record (EHR), and the Enterprise Master Person Index (EMPI) in consultation with CSS, DMH, PHS, IHSS services.

5. **The Los Angeles County Director of Community and Senior Services** should create and distribute written and web-based materials that provide a comprehensive list of resources available for older adults and their families as well as a compendium of who provides the services and how to access them.

These recommendations are based on an investigation that concludes that Los Angeles County is currently providing many valuable services for seniors and is in an excellent position to take advantage of the mandates of the ACA to improve delivery of services. The key will be in assuring increased cooperation across appropriate departments.

## REQUIRED RESPONSES

Recommendations	Responding Agencies
1, 4	Los Angeles County Chief Executive Officer
2	Los Angeles County Board of Supervisors
3	Director of Los Angeles County Department of Health Services
5	Director of Los Angeles County Community and Senior Services

## ACRONYMS

<b>AARP</b>	American Association of Retired Persons
<b>ACA</b>	Patient Protection and Affordable Care Act (Federal)
<b>CEO</b>	Chief Executive Office (LA County)
<b>CGJ</b>	2011-2012 Los Angeles County Civil Grand Jury
<b>CMS</b>	Center for Medicare and Medicaid Services (Federal)
<b>CSS</b>	Department of Community Senior Services (LA County)
<b>DHCS</b>	California Department of Health Care Services
<b>DHS</b>	Department of Health Services (LA County)
<b>DMH</b>	Department of Mental Health (LA County)
<b>DPH</b>	Department of Public Health (LA County)
<b>EHR</b>	Enterprise Health Record (LA County)
<b>EMPI</b>	Enterprise Master Person Index (LA County)
<b>GDP</b>	Gross Domestic Product
<b>IHSS</b>	In-Home Senior Services (California)
<b>LACCOA</b>	Los Angeles County Commission For Older Adults
<b>MDS</b>	Medical Data Systems (Federal)
<b>S3</b>	Seamless Senior Services (LA County)

# PROBATION DEPARTMENT



## COMMITTEE MEMBERS

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# PROBATION DEPARTMENT

## INTRODUCTION

The 2011-2012 Los Angeles County Civil Grand Jury (CGJ) began an investigation of the Probation Department (Probation) with respect to the ongoing ramifications and implementation of California State Assembly Bill 109/117 (AB 109/117). The CGJ voted not to investigate any other areas of Probation in this report due to the magnitude of responsibilities of the department. The implementation of Public Safety Realignment Act (PSRA) is at the forefront of public safety concerns to Los Angeles County (LAC).

## BACKGROUND

The primary responsibility of Probation is to ensure public safety and to supervise probationers with an evidence-based approach.

Probation is charged with the administration of all adult probationers within the County, who number approximately 50,000. Probation also administers all juvenile probationers in the County, who number approximately 20,000 including those in juvenile facilities and camps in LAC.

Probation is one of two agencies in LAC that reports directly to the Los Angeles Board of Supervisors (BOS). Since 2009, Probation has had three Chief Probation Officers as well as the Assistant Chief Probation Officer serving as the Interim Chief on two occasions. Direct communication between the BOS and Probation is a critical link in the monitoring of the functions of Probation. Budgetary decisions are directly resolved by the BOS with input from Probation. With the implementation of AB 109/117, Probation is now committed to a review of their budget directly with the BOS every three months in order to distribute monies in the most judicious manner. Prior to the implementation of AB 109/117, the Probation budget was allocated on a yearly basis. There is now a direct relationship between budgetary needs for Probation and reimbursement from the State of California for Realignment.

## METHODOLOGY

In order to provide first-hand information, the CGJ interviewed or visited the following areas of Probation:

- Interview with the Chief Probation Officer
- Interview with the Assistant Chief Probation Officer
- Interview with the individual in charge of implementation of AB 109/117
- Visits and interviews with Probation Department deputies at the Hub centers established for Realignment
- Visits and interviews with Probation Department deputies at Area Offices
- Interview with the Los Angeles County District Attorney's Office
- Interview with the Los Angeles County Sheriff's Department.

## DISCUSSION

In April of 2011, California legislators signed into law Assembly Bill 109 to relieve overcrowding in the California State prisons as mandated by the Federal Government. This law referred to as the PSRA was initially intended to be implemented in June of 2011. A supplement to the legislation, AB 117, was passed to delay implementation until October 1, 2011. Assembly Bill 109/117(AB 109/117) transfers the responsibility for supervising specific low-level inmates and parolees from the California Department of Corrections and Rehabilitation (CDCR) to counties. In addition, it tasked the local Community Corrections Partnership (CCP) with recommending a plan to the County Board of Supervisors (Section §1230.1 California Penal Code) which shall be deemed acceptable to the County Board of Supervisors unless rejected by a 4/5<sup>th</sup> vote. (Exhibit 1)

AB 109/117 took effect on October 1, 2011, and realigned three major areas of the criminal justice system:

- Established local jail custody for specified non-violent, non-serious, non-sex offenders (N3s) who were previously subject to prison sentences
- Modified parole statutes and created local Post Release Community Supervision (PRCS) for criminal offenders released from prison after having served a sentence for a N3 offense
- Shifted the revocation process for parolees to the county court system over a two-phase, two-year process

California Senate Bill 678 (SB 678) is an incentive based program to provide funds to Probation for supervising new probationers who are released from the State prison system back to the County of origin. AB 109/117 provides for the release of three categories of State prisoner releases.

- Non-violent offenders
- Non-sexual offenders
- Non-serious offenders (usually property crimes)

Probation projected that LAC would receive approximately 7,000 to 8,000 new probationers beginning October 1, 2011. These new probationers are classified by Probation into three risk categories and are assigned to Probation deputies based on their risk levels.

- Tier 1- high-risk offenders—caseload of 50 to 1
- Tier 2- medium-risk offenders—caseload of 75 to 1
- Tier 3- low-risk offenders—caseload of 100 or more to 1

Beginning with the week of November 26, 2011, Probation provided the CGJ with statistical information on the newly released State prisoners to the County of Los Angeles. The following Tables provide the information sent to the CGJ:

**Table 1. PRCS Releases Into LAC Jurisdictional Area**

<b>Week ending</b>	<b>LASD</b>	<b>LAPD</b>	<b>Other Agencies</b>	<b>Unknown/Transient</b>	<b>Out of Area</b>
11/26/11	391	521	361	437	118
	21%	29%	20%	23%	6%
12/03/11	476	619	439	470	152
	22%	29%	20%	22%	7%
01/07/12	840	1163	802	381	253
	25%	34%	23%	11%	7%
01/14/12	929	1245	853	410	268
	25%	34%	23%	11%	7%
01/21/12	1013	1341	937	406	297
	25%	34%	24%	10%	7%
01/28/12	1075	1422	999	425	320
	25%	33%	24%	10%	8%
02/06/12	1134	1508	1060	450	338
	25%	34%	24%	10%	7%
02/13/12	1226	1583	1104	481	355
	26%	33%	23%	10%	8%
02/16/12	1299	1676	1166	509	364
	26%	34%	23%	10%	7%
02/25/12	1365	1751	1216	534	382
	26%	34%	23%	10%	7%
03/03/12	1436	1833	1281	557	403
	26%	33%	23%	10%	8%

The total number of N3s released into LAC beginning October 1, 2011 through March 3, 2012 was 5510. This number reflects all of the supervised probationers.

Upon release from the State Department of Corrections, new probationers are provided with \$200 and a bus ticket to LAC. The new probationers must report to a specific Pro-

bation office within two to five days. Ninety-eight percent of released prisoners report to Probation on time. Court warrants are issued to absconders. LASD and municipal police arrest probation absconders when possible.

**Table 2. Absconder (No-shows) Information**

Warrant Issue Month	Warrants Issued	Arrested	Warrants Rescinded Prior to Arrest	Active Warrants	Released
October 2011	0	0	0	0	0
November 2011	62	43	2	17	38
December 2011	87	45	6	36	36
January 2012	66	33	2	31	26
February 2012	96	25	3	68	13
<b>Total</b>	<b>311</b>	<b>146</b>	<b>13</b>	<b>152</b>	<b>113</b>

## SUMMARY

Probation works closely with LASD and the management of inmates released to the general population predicated on AB 109/117. LASD is charged with housing newly adjudicated individuals from the court system in LAC facilities. In the past, adjudicated individuals with sentences over one year were sent to a state prison to serve their sentence. With the implementation of AB 109/117, court sentenced individuals with sentences up to three years and N3 status were sent directly to LAC jails. This change in the law has increased the likelihood of overcrowding in LAC jails.

Probation has also been impacted in major ways due to the implementation of AB109/117. N3 status inmates currently serving time in a state prison have been evaluated and returned to their county of jurisdiction for supervision. The impact of this legislation has increased the caseloads on Deputy Probation Officer (DPO) immensely. Caseloads for DPOs prior to AB 109/117 were approximately 2500 probationers to 1. With the addition of approximately 7,000 to 8,000 new probationers, caseloads will increase dramatically.

Individuals who violate probation are also a concern to LASD. These individuals are subject to flash-arrests, arrest and incarceration for up to ten days without going before the court, or court adjudicated incarceration for probation violation. All of these individuals are now to be housed in LAC jails.

The State of California has guaranteed reimbursement to LAC of approximately \$112,000,000 for year one implementation of AB 109/117. Payback to LAC for years

two and three is approximately \$305,000,000 and was not guaranteed at the time of this report. During year one of implementation of AB 109/117, the State splits reimbursement into three areas:

- One-third of \$'s for incarceration
- One-third of \$'s for supervision (Probation)
- One-third of \$'s for treatment via
  - Department of Mental Health
  - Department of Public Health
  - Community and/or faith-based agencies

The State allocation of reimbursement is approximately \$2,200 per probationer per year. Employment and educational opportunities are generally offered by community and faith-based agencies.

## FINDINGS

1. Veteran DPOs have been assigned new N3 probationers to supervise. The caseload for the current DPOs has increased dramatically for each DPO to monitor and supervise adequately. Prior to the enactment of AB 109/117, each DPO had approximately 2,500 probationers to supervise. Since AB 109/117, probation has shifted probation cases for supervision away from these veteran DPOs in order to monitor the new N3 probationers.
2. The number of released N3s to LAC from October 2011 through mid- March 2012 is well above the projected numbers by LASD. LASD anticipated between 7,000 to 8,000 N3s to be released to LAC during the first year beginning October 2011. Between October 1, 2011 and February 13, 2012, 4,749 N3s have been sent to LAC. This number is approximately 950 N3s per month or a projected 11,400 over a twelve month period.

## RECOMMENDATIONS

1. **The Los Angeles County Board of Supervisors** should lift the hiring freeze for the Probation Department and authorize the hiring of additional Deputy Probation Officers to work with probationers released to the County in order to limit the caseloads on each DPO.
2. **The Los Angeles County Probation Department** should assign veteran and experienced Deputy Probation Officers at each Probation HUB, whose sole responsibility is to monitor and supervise the incoming N3 probationers from the State prisons.

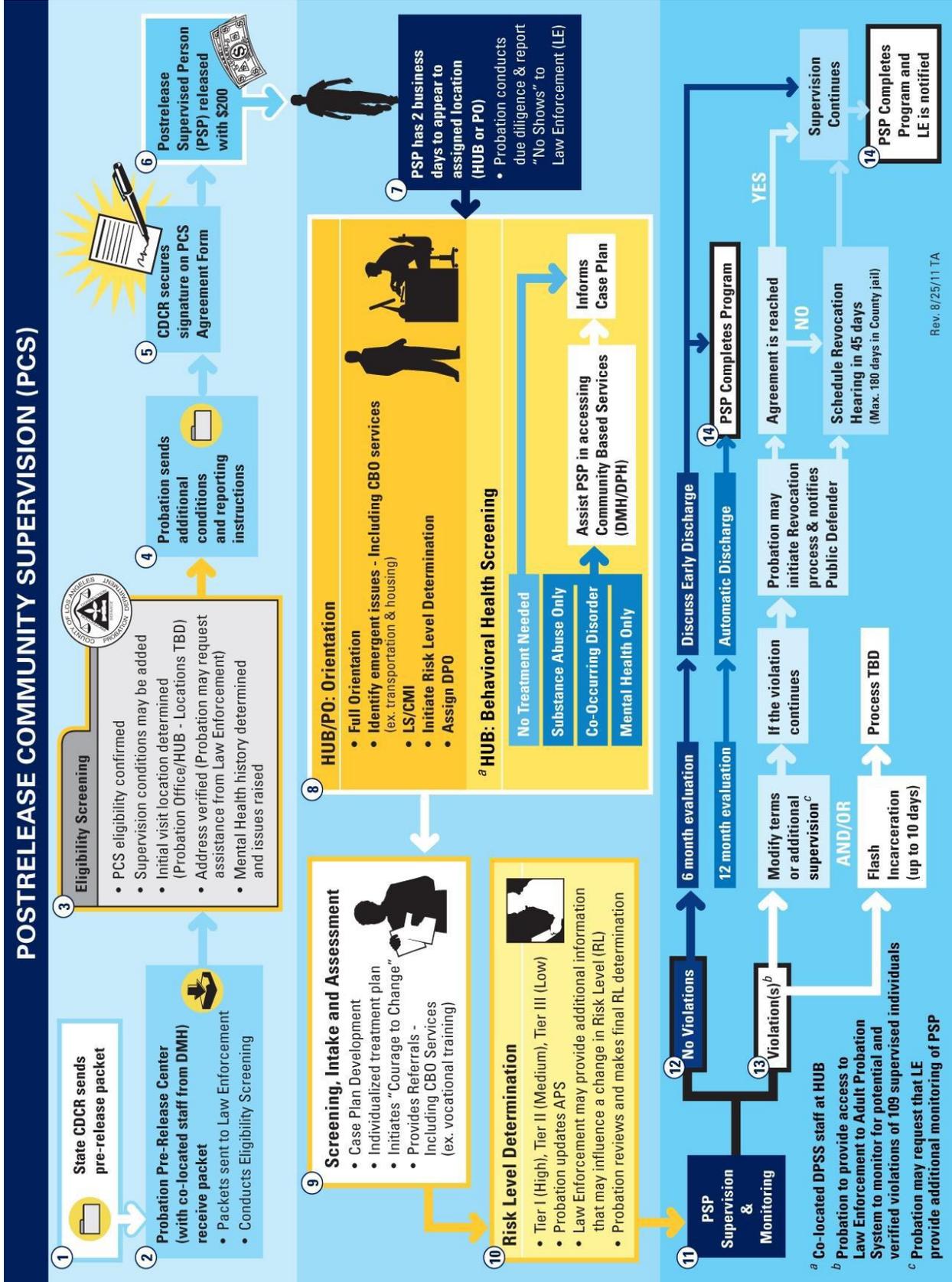
<b>Recommendation</b>	<b>Responding Agency</b>
<b>1</b>	<b>The Los Angeles County Board of Supervisors</b>
<b>2</b>	<b>The Los Angeles County Probation Department</b>

**ACRONYMS**

<b>AB 109/117</b>	California State Assembly Bill 109/117
<b>BOS</b>	Los Angeles County Board of Supervisors
<b>CCP</b>	Community Corrections Partnership
<b>CDCR</b>	California Department of Corrections and Rehabilitations
<b>CGJ</b>	2011-2012 Los Angeles County Civil Grand Jury
<b>DPO</b>	Deputy Probation Officer
<b>LAC</b>	Los Angeles County
<b>LAPD</b>	Los Angeles Police Department
<b>LASD</b>	Los Angeles County Sheriff's Department
<b>N3s</b>	Non-violent, Non-sexual, Non-serious offenders
<b>PRCS</b>	Post Release Community Supervision
<b>Probation</b>	Los Angeles County Probation Department
<b>PSRA</b>	Public Safety Realignment Act

**EXHIBIT 1 – POSTRELEASE COMMUNITY SUPERVISION** (see facing page)

Source: Probation Department





# REVIEW OF DCFS RESPONSES TO PRIOR CGJ RECOMMENDATIONS



## COMMITTEE MEMBERS

**Thomas Joyner – Chair**  
**Bob Cremer**  
**Jocelyn Keene**  
**Rik Shubb**  
**Thomas C. Wentz**



# **REVIEW OF DCFS RESPONSES TO PRIOR CGJ RECOMMENDATIONS**

## **INTRODUCTION**

Each year the Los Angeles County Civil Grand Jury (CGJ) publishes a final report with investigations of and recommendations to various County agencies. Within 90 days, the County agency is required to submit a written response to the CGJ indicating its agreement or disagreement with the recommendations.

The 2011-2012 CGJ asked if the agreed-upon recommendations from prior CGJ final reports were ever implemented. A committee was formed to review the investigations and recommendations of previous five years CGJ reports. It quickly became obvious to the committee that reviewing each report in its entirety would be too broad to effectively investigate in the time available. The committee decided to limit its focus to CGJ investigations of the Department of Children and Family Services (DCFS), as investigations of that department had occurred in each of the previous five years. It was further decided to exclude the CGJ report of 2010-2011 as insufficient time had passed to implement the many recommendations made in that report.

This investigation of DCFS did not attempt to examine the content or the merits of previous recommendations. The sole purpose of this investigation was to determine whether or not previously agreed upon recommendations were implemented.

## **METHODOLOGY**

The current CGJ reviewed investigative reports of DCFS from the previous five years, together with the departmental responses to the prior CGJ's recommendations. DCFS agreed with many but not all of the CGJ recommendations. The recommendations, together with initial responses, were sent to DCFS with the request to identify the current status of each of the agreed-upon recommendations.

The CGJ met with the DCFS Executive Committee to clarify requests and respond to any questions.

DCFS responded with a detailed explanation of actions taken as a result of recommendations made by CGJ reports. There was subsequent correspondence to request updated information regarding recommendations that were to have been implemented.

## **DISCUSSION**

DCFS compiled a thorough and comprehensive response to the CGJ's request for information regarding the status of recommendations made in CGJ reports of 2006-2007, 2007-2008, 2008-2009 and 2009-2010.

Exhibit 1 has been taken from charts provided by DCFS that specifically address the status and actions taken on each of the recommendations. The CGJ modified their

charts to list the recommendations by report and to delete the non-applicable recommendations. DCFS also prepared a summary of its progress and activities regarding recommendations made in the 2006-2007 through 2009-2010 CGJ reports (Exhibit 2).

## **SUMMARY**

DCFS has followed through on a significant number of recommendations made by the CGJ. There were 121 recommendations in all:

- 111 – DCFS agreed with
  - 75 – DCFS implemented
  - 27 – DCFS partially implemented or in progress
  - 9 – DCFS did not implement (6 due to budgetary restraints)
- 3 – DCFS disagreed with
- 7 – DCFS found not applicable
  - 2 – not applicable
  - 5 – omitted as they were directed to other agencies

The 2011-2012 CGJ found that the DCFS has been responsive and had actively worked to implement recommendations made by previous CGJs.

Prior Grand Jury Reports and responses to recommendations are available online at <http://www.grandjury.co.la.ca.us/>.

## **FINDINGS**

### **2009-2010 CGJ Final Report**

The report entitled “Child Abuse Reporting and Response” contained eight recommendations:

- all 8 – agreed with
  - 5 – implemented
  - 3 – partially implemented

### **2008-2009 CGJ Final Report**

The “Policy vs. Results – Youth Employment Programs Funded but Not Fully Utilized” report contained five recommendations:

- all 5 – agreed with and implemented

The “Hub Clinics – An Underutilized Resource” report contained 18 recommendations:

- 17 – agreed with
  - 9 – implemented
  - 3 – partially implemented or in progress
  - 5 – not implemented due to budgetary restraints
- 1 – not applicable

“Health Information Sharing for At-Risk Youth – Overcoming Obstacles” had six recommendations:

- 5 – agreed with
  - 3 – implemented
  - 2 – being implemented
- 1 – disagreed with

“Be Prepared - Keeping Kids Safe – Disaster Preparedness for Youth in County Custody” had one recommendation:

- 1 – being implemented

“Extending Foster Care from Age 18 to 21” had three recommendations:

- 3 – implemented

### **2007-2008 CGJ Final Report**

“Helping Probation and Foster Youth Prepare for Adulthood and Independence” had 39 recommendations:

- 38 – agreed with
  - 27 – implemented
  - 9 – partially implemented
  - 2 – not implemented
- 1 – not applicable

### **2006-2007 CGJ Final Report**

The “Juvenile Custodies – Are We Paying Twice?” report, which dealt with foster youth crossing over to probation, contained five recommendations:

- 3 – agreed with and implemented
- 2 – DCFS found not applicable

“Crisis in Communication – Preventing Child Fatality and Maltreatment” had 12 recommendations:

- 10 – agreed with
  - 7 – implemented
  - 2 – partially implemented
  - 1 – not implemented due to budgetary constraints
- 2 – disagreed with

“Triple Jeopardy – Abandoned, Neglected, and Abused Children of Los Angeles County” had 24 recommendations:

- 16 – implemented
- 5 – partially implemented
- 1 – not implemented
- 2 – DCFS found not applicable

## RECOMMENDATIONS

1. **The Department of Children and Family Services** should continue to implement those recommendations that are currently partially implemented or still in progress at the end of the Fiscal Year 2012-2013.
2. **The Department of Children and Family Services** should endeavor to include as part of its yearly budget those recommendations that were not implemented due to budgetary constraints for the Fiscal Year 2012-2013.

## REQUIRED RESPONSES

<b>Recommendations</b>	<b>Responding Agency</b>
<b>1, 2</b>	<b>Department of Children and Family Services</b>

## ACRONYMS

<b>CGJ</b>	Los Angeles County Civil Grand Jury
<b>DCFS</b>	Department of Children and Family Services

**EXHIBIT 1-A - STATUS OF RECOMMENDATIONS – 2009-2010**

<b>2009–2010</b>	
<b>Item and Recommendation</b>	<b>Status and Response</b>
<b>Child Abuse Reporting and Response</b>	
3, 4, 5, 7,9	Implemented
1. The Office of the District Attorney, Department of Child and Family Services and LASD should lead an effort to develop a Memorandum of Understanding or Operational Agreement, as appropriate, among all of the parties within Los Angeles County involved in the E-SCAR for communicating cases of suspected child abuse.	Partially Implemented - August, 2012 The MOU/MOA has been completed and reviewed by the E-SCARS Steering Committee and upon final review and approval by County Counsel and DCFS management the MOU between DCFS, DA and LASD will be ready for department head signatures.
2. The E-SCAR Memorandum of Understanding or Operational Agreement should define the roles of the participants as to the communication and transmission of data and information among themselves and their coordination of responses. Time-to-respond and best practices standards should be established by DA, DCFS, LASD and the other parties to the Memorandum of Understanding or Operational Agreement for use as benchmarks by the participants. The Memorandum or Agreement should not, however, attempt to define or dictate the operations of the various groups as to their internal processes and protocols used in investigating, prosecuting or resolving reported child abuse allegations.	Partially Implemented - August, 2012 The MOU/MOA has been completed and reviewed by the E-SCARS Steering Committee and upon final review and approval by County Counsel and DCFS management the MOU between DCFS, DA and LASD will be ready for department head signatures.
8. DCFS should consider the employment of additional Human Services Aides to alleviate some of the less critical work performed by the social workers.	Partially Implemented - July, 2012 It is the Department's objective to assign one HSA to each CSW unit. However, this objective is still in the discussion stage.  Human Resources and Budget personnel are discussing this topic. However, formal discussions with CEO staff must occur to identify funding prior to formulating an implementation plan.  The meeting with CEO staff will be scheduled during the first quarter of 2012.

**EXHIBIT 1-B - STATUS OF RECOMMENDATIONS – 2008-2009**

<b>2008–2009</b>	
<b>Item and Recommendation</b>	<b>Status and Response</b>
<b>Policy vs. Results – Youth Employment Programs Funded but Not Fully Utilized</b>	
2.1.3, 2.2.2, 2.2.3, 3.1.3, 3.2.1	Implemented
<b>Hub Clinics – An Underutilized Resource</b>	
2.1, 2.2, 3.3.2, 3.4, 5.1.1, 5.1.2, 5.2, 5.3.1, 5.3.2	Implemented
<p>3.1. The Director of DCFS should direct the CSWs and PHNs to create age-specific information sheets to be given to foster parents or caregivers at the time the detained child is placed in their care. These sheets should be sized for easy access, such as for posting on a refrigerator or note-board, and give information listing normal behavior and expectations and also what steps should be taken in emergencies.</p>	<p>Not Applicable</p> <p>A workgroup was convened to explore how to best implement the recommendation. It was determined that multiple individual versions would need to be developed in order to provide the caregiver with the specific and appropriate age-specific information for each child in their household as no single age-specific document would meet the needs for all children in their household. Foster parents must be CPR certified, mandated 16 hours of pre-service hours to become certified as foster parents and required a designated number of hours yearly training hours to maintain their foster care certification. The purpose of the caregiver classes is to provide them with the knowledge and tools to assist them in meeting the needs of the foster care population, including child development, behavioral issues, social service benefits, etc.</p> <p>Detained children continue to receive an initial physical exam at the Hubs and caregivers are educated on developmental issues at the time of the exam. For subsequent well child exams, CHDP providers provide developmental, age-specific, anticipatory guidance to the caregivers. Foster children are mandated to receive routine well-child visits including developmental screening and developmental, age-specific anticipatory guidance by a CHDP Provider on a regular basis and, as such, this recommendation is no longer applicable.</p>
<p>3.2. The Directors of DCFS and DHS should, by the end of 2009, develop criteria or identifying children in the child welfare system for whom the HUB Clinics</p>	<p>Not Implemented - Unable to provide a target date for completion due to budgetary constraints.</p> <p>DCFS agrees with this recommendation, but has deferred any plans to expand Medical Hub ser-</p>

<b>2008–2009</b>	
<b>Item and Recommendation</b>	<b>Status and Response</b>
<p>should serve as medical home, with responsibility for their overall medical care coordination, focusing on those with special health care needs and sexual abuse victims.</p>	<p>vices as we focus on meeting the service needs of the priority populations of newly detained children and children requiring forensic evaluations.</p> <ul style="list-style-type: none"> <li>➤ DHS Administration has a heightened level of interest in establishing medical homes and continuity of care services for DCFS children and has initiated further discussions with DCFS on how this can be realized.</li> <li>➤ Per DHS, as more revenue is identified and realized to cover the cost of the services that are provided to DCFS children by the Hubs, it is possible that additional funds could be made available to serve our children, such as expanding the Hubs as medical homes for all children.</li> <li>➤ The Board of Supervisors has requested that DHS maximize the revenue related to the costs of the Medical Hub operations. DHS is pursuing this diligently. For example, DHS and LA Care Health Plan, one of the County's two Medi-Cal Managed Care Plans, are finalizing a partnership whereby LA Care will contribute a portion, albeit small, of the costs for the forensic evaluation and initial medical exam for children who are LA Care Plan members referred to DCFS to, and served by, the Hubs.</li> </ul>
<p>3.3.1. The Directors of DCFS and DHS should, by the end of 2009, develop criteria for children in the child welfare system for whom the HUB Clinics would not serve as medical home, but should provide continuity of care by:</p> <ul style="list-style-type: none"> <li>• Periodic reassessments every six months.</li> <li>• Case reviews of children with special health care needs who are being seen by private community providers.</li> <li>• Those at risk of being victims of abuse again, such as when changes in placement occur.</li> <li>• Those under the Family Maintenance program, still living in homes where they were abused.</li> </ul>	<p>Not implemented - Unable to provide a target date for completion due to budgetary constraints.</p> <p>See Response to 3.2 above.</p>

<b>2008–2009</b>	
<b>Item and Recommendation</b>	<b>Status and Response</b>
4.2. The Directors of DHS and DCFS should work in collaboration with the County CEO and CIO to develop a long-term data and information-sharing system by June 2011 that enables these departments and others involved with serving foster children and youth to access key information about children's health and mental health needs and case histories.	Partially Implemented - 1st phase November, 2013  DCFS is working with the DHS, DMH and Chief Executive Office for the implementation of the Enterprise Master Person Index (EMPI). The EMPI will identify common clients of County services to facilitate the secured sharing of information for improving services and coordinating service delivery. The EMPI will facilitate identification of common clients, and when it is legally permissible to do so, will facilitate appropriate, accurate, and reliable sharing of client data.
4.3.1. The Directors of DCFS and the DPH should proceed with implementing the Lakewood project model system wide, enabling PHNs to work on any of the cases that come into the office to which they are assigned, regardless of department affiliation.	Unable to Implement  The CEO researched funding sources for the Project, but any additional funding would require the Board's approval.  Mr. Wesley Ford, Director for Children's Medical Services, has agreed to implement the Lakewood Project county wide if DCFS provides the lost revenue that would occur under the existing HCPCFC funding structure at the Federal and State level. Due to DCFS budgetary constraints, DCFS will not be able to provide DPH with their lost revenue and, as such, we are unable to implement this recommendation.
4.3.2. The Directors of DCFS and the DPH should collaborate to implement department-wide the DCFS Lakewood Project pilot integrating the two departments' PHNs by the end of 2009. This will require DCFS to utilize Katie A. funding in the short run for the estimated 15% of PHN time that would be not covered by the State CHDP funding, and identifying funding for long-term implementation.	Unable to Implement  Please refer to 4.3.1 above.
4.3.3. The Directors of DCFS and the DPH should research and work to resolve the funding issues introduced by the Lakewood project and the recommended organizational structure change by the end of 2009. This may be done by applying for additional funding and /or a waiver	Unable to Implement  DCFS has explored funding with DPH, CHDP and Title IV-E Waiver dollars. However, due to DPH, Health Care Program for Children in Foster Care (HCPCFC) strict funding restrictions, this recommendation is not feasible. Please refer to

<b>2008–2009</b>	
<b>Item and Recommendation</b>	<b>Status and Response</b>
through the CHDP program. It also may involve identifying other DCFS funds to cover any balance not covered CHDP.	4.3.1 above.
4.3.4. The Directors of DCFS and the DPH should revise the MOU between DCFS and DPH by the end of 2009 to provide for input by DCFS Regional Managers into the evaluation process for DPH PHNs.	In Progress - Mid 2012 DCFS will pursue the request for this recommendation during the process of the MOU's periodic, bi-annual review in mid 2012. Regional Administrators (RAs) continue to have the option of providing input to either the PHNs or Nursing Manager about the performance of PHNs.
4.4. The Directors of DCFS and the DPH should finalize and proceed with tracking caseload and outcomes to evaluate individual PHNs and overall effectiveness of their services	In Progress - April, 2012 A committee comprised of representatives from DPH Children's Medical Services (CMS) Administration, Information Section and Health Care Program for Children in Foster Care (HCPFC) Nurse Manager, DCFS BIS, Public Health Nurses (PHN) Program, and County Counsel met to identify data elements for tracking Public Health Nurses caseloads. Policy is being drafted on adding PHNs as "Secondary" on referrals and cases. PHN Supervisors are providing staff with training on policy.
<b>Health Information-sharing for At-risk Youth – Overcoming Obstacles</b>	
2.1, 2.2, 3.5,	Implemented
6.1. To the extent permitted by law, DCFS, DHS, DMH and DPH should provide skilled healthcare professionals access to a youth's healthcare information regardless of the department in which the information was originally obtained.	The Department disagreed with the recommendation in our initial response.
7.1.1. The CEO should caucus with DCFS and DMH, as well as with the DCEO of the CFWBC and County Counsel, to develop strategies for implementation of standards, remedies, and legislative changes at both County, State and Federal levels that will enable continuing improvements of healthcare delivery to County residents, consistent with the improvements which have been achieved as a result of Katie A Court and Advisory	In Progress - To be determined This recommendation has been forwarded to the CEO as the lead. We have also referred to DHS as they, along with DPH, will need to take the lead on the major activities due to pending Healthcare reform. We will also work toward development of a workgroup comprised of CEO, DMH and DCFS to consider some legal remedies, but this level of strategic development and implementation of standards, remedies, and legislative changes at both County, State and Fed-

<b>2008–2009</b>	
<b>Item and Recommendation</b>	<b>Status and Response</b>
Panel supervision.	eral levels that will enable continuing improvements of healthcare delivery to County residents, consistent with the improvements which have been achieved as a result of Katie A Court and Advisory Panel supervision has not been considered.
7.2. The CEO should work with DCFS and DHS to develop written assurances from the State that County actions taken in response to Katie A. rulings are continued response to Katie A. rulings are continued beyond the expiration of the Federal court order(s).	In Progress - On-going  Los Angeles County is in the 3rd year of implementing its 5 year Katie A. Strategic Plan. This plan and court oversight are not expected to expire until 2012. Los Angeles County DCFS and DMH representatives participate in the weekly Negotiation Workgroup and continue to monitor the progress of the State's portion of the Katie A. lawsuit and advocate for changes at the State level that are consistent with Los Angeles County positions and activities with regard to the County's settlement activities. Los Angeles County remains engaged with the Katie A Panel and exit criteria from the Katie A Settlement Agreement which were agreed upon in 2011. These criteria include provisions that require Los Angeles County to sustain the initiatives and practice changes that are achieved through the Settlement Agreement.
<b>Be Prepared - Keeping Kids Safe – Disaster Preparedness for Youth in County Custody</b>	
1. The Director of DCFS should incorporate relevant sections of their plan into all new standard contracts with group homes, foster care families and foster family agencies, where appropriate. At a minimum, the contracts should add a section reinforcing caregiver responsibilities for preserving records and maintaining possession of the records at all times during a disaster.	In Progress - June 2012  We are in the process of finalizing contract amendment language which includes a section reinforcing caregiver responsibilities for preserving records and maintaining possession of the records at all times during a disaster. There is a lengthy review process which requires that all contract amendments be reviewed by County Counsel, Chief Executive Office, and DCFS Director approval prior to presentation at the Board of Supervisors.
<b>Extending Foster Care from Age 18 to 21</b>	
4.1, 5.0.1, 5.0.4	Implemented

**EXHIBIT 1-C - STATUS OF RECOMMENDATIONS – 2007-2008**

<b>2007–2008</b>	
<b>Item and Recommendation</b>	<b>Status and Response</b>
<b>Helping Probation and Foster Youth Prepare for Adulthood and Independence</b>	
1, 1a, 1b, 1c, 1d, 1e, 1g, 2a, 2b, 3a, 3b, 3e, 4, 4b, 4c, 4d, 5d, 5e, 5f, 5i, 6a, 6b, 6c, 7a, 7b, 7c, 7d	Implemented
1f. Identify potential TAY younger than 14 to intensify efforts earlier to improve their chances of success.	Not implemented - March, 2012  DCFS will be revisiting this recommendation through its current addition of a departmental Well-Being/Self Sufficiency goal. As part of our current strategic planning process, we will realize defined strategies to meet self-sufficiency needs of all children and youth, regardless of their age of entry into DCFS.
2. The Deputy CEO should develop and implement a regular and systematic process of program review and evaluation for TAY programs which includes a goal of periodic, streamlining of operations in DCFS, Probation and DMH.	Not Applicable - Awaiting direction from CEO  DCFS continues to support this recommendation and awaits direction from the CEO regarding how its TAY programs can be evaluated via a systematic process.
2b. Agencies should cultivate community resources and partnerships to seek new revenue sources, including grants from private and governmental agencies, to fund the new programs.	Partially Implemented - Ongoing  The Department has a new staff member whose sole responsibility is to develop resources such as grant funding, donations, computers, and corporate sponsors. This staff member also works with our faith-based and community partners in a collaborative approach to identifying community resources.
3. DCFS, Probation, DMH, and DPSS should develop and implement innovative programs to target high-risk families and high-risk children for proactive early intervention.	Partially Implemented - July, 2013  The Community-Based Support Division has several prevention-based projects recently approved to receive an increase to their funding through the Title IV-E Waiver.  On December 13, 2011 the Board of Supervisors agreed with the proposal to utilize Title IV-E Waiver funds to increase the Prevention Initiative Demonstration Project (PIDP) by an additional \$1.25 million for fiscal year 2011-2012, and to fund an additional year (FY2012- 2013) at a total program budget of \$2.5 million.  In conjunction with DCFS Regional Offices, most

<b>2007–2008</b>	
<b>Item and Recommendation</b>	<b>Status and Response</b>
	<p>PIDP agencies have initiated Visitation Centers at faith-based community centers to provide safe and family-centered, locations when monitors are required for visitation.</p> <p>The Year-Two PIDP Evaluation and Executive Summary reports have been completed and the results and recommendations were presented to the Board Deputies as well as the Children's Commission. This evaluation provided evidence based results demonstrating generally positive outcomes for building family strengths; safer communities; decreased subsequent referrals to the child abuse hot line and increased family stability. DCFS has requested an extension of the PIDP program through June 30, 2013. Furthermore, several of the more promising strategies are being incorporated into the Promoting Safe and Stable Families/CAPIT program re-design, which is projected to begin July 1, 2013.</p> <p>In addition to prevention programs, addressing the needs of high-risk communities requires consideration of caseload size and complexity, recruitment and retention for social workers serving these communities. Difficulty in working with clients and the scarcity of resources to meet the needs of the community must be acknowledged. In high risk communities, there is increased poverty, high rates of unemployment, high crime rates, and significant disparities in health related issues, which all impact family functioning and add to the complexity of case issues.</p>
<p>3d. More intensive programs on drugs and access to drug rehabilitation programs should be provided to parents for themselves and their children.</p>	<p>Partially Implemented - January, 2013</p> <p>DCFS and the Department of Public Health (DPH) Substance Abuse Prevention and Control (SAPC) are working to strengthen collaborative efforts through Project SAFE (Screening and Assessment for Family Engagement). Specifically, the Project SAFE collaboration seeks to strengthen the screening and assessment process for better identification of the needs of clients with substance use disorders and provide timely access to treatment. The intent of this initiative is to develop a comprehensive screening and assessment protocol emphasizing clinical assessments and therapeutic interventions by</p>

<b>2007–2008</b>	
<b>Item and Recommendation</b>	<b>Status and Response</b>
	substance abuse experts.
4a. A suitable overlap of mentors should be built into the program to ease a child's transition to the new mentor.	Not Implemented - On-going There are currently only a limited number of community agencies with viable mentoring programs. See response to items 5b and 5c above.
5. The directors of DCFS, Probation, DMH, and LACOE should design and implement jointly a curriculum that addresses practical educational skills for all children to better prepare them for independence.	Partially Implemented - July, 2012 LACOE will be out stationing eight Education Counselors in DCFS regional offices beginning December 2011 to better address educational needs and provide support to CSWs, youth and families. DCFS currently partners with Probation and DMH as part of a multi-disciplinary team to address needs of DCFS youth at risk of crossing over to Probation. DCFS Youth Development Services continues to provide Independent Living Assistance for T A Y youth and participates in collaborative meetings to add to the discussion about T A Y educational needs from a program perspective.
5a. All programs should contain an identified minimum level of understanding on the part of the recipients before the program is considered delivered.	Partially Implemented - July, 2014 DCFS Education Consultants and LACOE Foster Youth Services Education Counselors work closely with the school districts to support the educational needs of many children served by DCFS. With Title IV-E Waiver funds, the Gloria Molina Foster Youth Education Program will be expanded throughout Los Angeles County and will include out stationing children's social workers in the schools and working with community agencies to provide academic remediation services for DCFS youth.
5b. Enhanced study skills and courses on practical living skills should be part of the curriculum of juvenile halls and camps. DCFS should include such courses in the schedules of students attending public schools whenever possible.	Partially Implemented - July, 2014 In partnership with LACOE, the Education Coordinating Counsel and Probation, DCFS is implementing programs such as the Gloria Molina Foster Youth Education Program to better address and support the educational needs of DCFS youth. Additionally, DCFS works closely with several school based education programs in maximizing the number of DCFS youth participating in after school enrichment and educational

<b>2007–2008</b>	
<b>Item and Recommendation</b>	<b>Status and Response</b>
	programs.
5c. Foster children should be encouraged to participate in music, art, and other nonacademic programs. Probation should seek volunteers to provide these services in juvenile halls and camps.	Partially Implemented - July, 2014 DCFS, in partnership with Los Angeles Unified School District, Education Coordinating Council, and several community programs is in the process of formulating a strategic plan to include identification of resources, outreach, and recruitment to support an increase of foster youth participating in after school and summer enrichment programs.
6. Under the leadership of the Deputy, CEO, DCFS, Probation, DPSS, and DMH, improve programs should be provided to youth 18-25 who have left the system.	Partially Implemented - On-going The Department continues to support this recommendation and will utilize the CEO Self-Sufficiency Committee to address how this collaboration towards an individual TAY plan can be accomplished. It should be noted that the Exit Outcomes Report (State Soc405E) requires the DCFS case manager to provide information of TAY including the area of DPSS resources and DMH services up to their exiting DCFS jurisdiction.
7. Under the leadership of the Deputy CEO, DCFS, Probation, and DMH, in consultation with LACOE and other school districts, should develop a plan and a timetable for a comprehensive information system to capture all records on all children in the system. The plan should include: cost estimates to develop and operate the system, a proposal for funding, and a timetable for implementation should be reported every four months to the Board of Supervisors.	Partially Implemented - July, 2014 DCFS worked with LACOE, Sacramento Office of Education, the Stuart Foundation and the Pomona and Pasadena Unified School District to explore acquiring the Foster Focus Data Education Data Base System as a means to upload information from school districts and LACOE into one central data base containing all pertinent education records for foster youth. The feasibility of implementing this system in LA County is still being explored.  There have been no invitations extended to participate in any meetings convened by the CIO/CEO on this initiative. Limited information has been shared regarding this item.

**EXHIBIT 1-D - STATUS OF RECOMMENDATIONS – 2006-2007**

<b>2006–2007</b>	
<b>Item and Recommendation</b>	<b>Status and Response</b>
<b>Juvenile Custodies – Are We Paying Twice?</b>	
1, 2, 3,	Implemented
<b>Crisis in Communication – Preventing Child Fatality and Maltreatment</b>	
1.1, 1.2, 1.4, 2.2, 3.3, 3.6, 3.8,	Implemented
1.3. Provide reports on a regular basis such as monthly to DHS hospitals on the outcome of all child maltreatment reports filed for each hospital and other reporting facilities.	The Department disagreed with the recommendation in our initial response.
2.1. Implement mHUB and myCSW links between 1) all medical HUBS 2) medical HUBS and DCFS. Further assessment of CHEERS may be useful for inclusion of education and emancipation information in the countywide database.	Partially Implemented - July, 2012 A direct electronic link between the myCSW and E-mHub systems could place the County out of compliance with Federal regulations relating to the State CWS/CMS. However, DCFS, Department of Health Services (DHS) and the Chief Information Officer (CIO) are working together to develop a solution. DHS and the CIO will make a joint recommendation to the CEO.  DHS implemented the E-mHub patient information web-based system in March 2011 at all Medical Hubs. An electronic interface with DCFS is included and implements referrals going electronically to E-mHub and through the interface, appointments status alerts and examination results being received at DCFS.
3.2. Assign Public Health Nurses to staff the HUB clinics in addition to Children's Social Workers since all children in the DCFS system are already assigned a social worker who could serve on the multi-disciplinary teams for the children on their caseload.	Partially Implemented - February 2012 DCFS and DHS have pursued opportunities to identify funding by working with the County Chief Executive (CEO) Office. In the Fall of 2011, a specific funding source was identified to implement the out-stationing of CSWs and PHNs at the Medical Hub. A proposal awaits review and approval from the BOS.
3.7. Assist ICAN in its integration efforts by incorporating it into DCFS so that it can continue to maintain its ongoing review of child deaths.	The Department disagreed with the recommendation in our initial response.

<b>2006–2007</b>	
<b>Item and Recommendation</b>	<b>Status and Response</b>
<p>4.4. Consider an alternative system of medical record data entry, such as using Intermediate Typist Clerks or a similar County classification for the majority of routine cases so that Public Health Nurses are utilized in a more efficient and effective manner but would still be available for assisting with interpretations of the more complex medical information and records obtained by DCFS for entry into CWS/CMS.</p>	<p>Not Implemented - July, 2012</p> <p>Once budget constraints are alleviated, DCFS will work with the CEO to identify possible funding for this purpose.</p>
<p><b>Triple Jeopardy – Abandoned, Neglected, and Abused Children of Los Angeles County</b></p>	
<p>2, 2.1, 2.2, 3, 3.2, 4, 4.2, 4.3, 4.4, 4.5, 6, 6.2, 6.5, 7, 9.2, 10</p>	<p>Implemented</p>
<p>3.1. DCFS should develop new categories of Foster Family Care that will have the skills and ability to parent the more challenging dependents currently placed in home facilities.</p>	<p>Partially Implemented - December, 2012</p> <p>In partnership with the Department of Mental Health (DMH), DCFS has executed contracts with 12 eligible Foster Family Agencies (FFA) for Intensive Treatment Foster Care (ITFC) and four FFAs for Multidimensional Treatment Foster Care (MTFC). The goal is to have 220 ITFC slots and 80 MTFC slots by the end of 2012. As of October 31, 2011, there were 97 slots. MTFC is an evidence-based model of therapeutic foster care that has been rigorously evaluated in multiple studies with demonstrated success in providing positive outcomes for youth in out-of-home care. MTFC limits the number of children placed in a foster home to one, and provides extensive training for foster parents; therapeutic interventions for the child, their family, and foster parents; along with round the clock crisis stabilization. ITFC is a more flexible framework outlined in the Welfare and Institutions Code 18358 and allows up to two children (e.g., siblings) to be placed in an extensively trained foster home and receive in-home mental health services that include Trauma-Focused Cognitive Behavioral Therapy. ITFC is not conditioned on family availability as a permanency resource. Therefore, youth with histories of placement instability and unmet mental health needs that interfere with permanency benefit from a homebased setting designed to meet these needs, as well as enhancing the po-</p>

<b>2006–2007</b>	
<b>Item and Recommendation</b>	<b>Status and Response</b>
	<p>tential for finding a permanent caregiver. ITFC programs exist in several other counties in California and are considered a valuable and effective alternative to group home placements.</p> <p>Currently, DCFS is undergoing a re-design of the D-Rate program that will build-in more support and guidance for the D-Rate foster parent. One of several actions stemming from this re-design is a DCFS and DMH work group that has begun exploring ways to extend a blend of the best practices found in treatment foster care and Wraparound to the D-Rate children and foster parents. The goal is to enhance the support and training of the D-Rate foster parents as well as the behavioral and mental health interventions for the D-Rate youth.</p>
4.1. DCFS and Probation should develop a comprehensive and integrated, automated information system containing all record and, reports that have been compiled on every child by all caregivers.	<p>Not Applicable</p> <p>The Probation Department now has access to this information through CWS/CMS.</p>
6.1. DCFS should implement assessment centers in existing residential-based facilities that have the qualifications, capabilities, and capacity to provide such services.	<p>Not Implemented - To Be Determined</p> <p>We are still considering assessment centers. Currently CDSS has issued a moratorium on the acceptance and processing of group home rate applications that will be in effect until December 31, 2012. This includes a moratorium on the development of new programs, new providers, program changes (such as the RCL level) and program capacity increases. This moratorium will end on January 1, 2013 unless the date is extended. (Please note that the moratorium began in October 2010 and was scheduled to end in October 2011, but was extended though December 2012).</p>
6.3. As part of the assessment process, DCFS and Probation should set goals, measure the effectiveness of their placements, and identify causes for ineffective placements or outcomes.	<p>Partially Implemented - To Be Determined</p> <p>On December 2, 2010 DCFS and DMH implemented a two-year pilot called Residentially-Based Services (RBS). RBS envisions shorter group home stays, and better outcomes with cost neutrality for the County. The pilot will provide empirical and fiscal data that will support the design for potential countywide implementation.</p>

<b>2006–2007</b>	
<b>Item and Recommendation</b>	<b>Status and Response</b>
<p>6.4. DCFS and Probation should assess and develop new strategies for their respective AWOL dependents and wards.</p>	<p>Partially Implemented - On-going</p> <p>Our Countywide Runaway Outreach Unit (ROU) Program is currently providing services for 398 youth. The ROU CSW is utilized as a resource and secondary service provider to locate and stabilize youth, and reduce the recidivism of running away episodes. The CSW works with the more hardened youth population that lives outside the scope of established policies and protocols. The ROU is incident driven and immediate placement stabilization that can make long term planning possible.</p> <p>In 2010 a meeting was held between the DCFS ROU Program Manager and Probation to discuss Probation's development of a "Probation" ROU program. However, Probation reported having a lack of resources to implement a similar program.</p> <p>The DCFS ROU supervisor participates in a workgroup with DCFS, Court, Probation, and Mental Health to address the needs of At-Risk youth and cross-over youth.</p>
<p>9. DCFS and Probation should strategically use congregate care facilities that meet quality assurance standards and provide awards for achieving meaningful outcomes.</p>	<p>Partially Implemented - July, 2012</p> <p>DCFS has met with the Probation Department on monitoring the quality of care and service delivery congregate care facilities provide to place youth. As these discussions move forward, plans will be underway to determine how to best acknowledge providers who achieve meaningful outcomes.</p>
<p>9.1. DCFS and Probation should study how best to improve group home facilities' programs, staffing skills and staffing levels.</p>	<p>Partially Implemented - To Be Determined</p> <p>On December 2, 2010, DCFS and DMH implemented a two-year demonstration pilot called Residentially Based Services (RBS). The data to date show promise, but it is too early to decide on effectiveness or expansion. The vision is for RBS to be the new model for group home care with an emphasis on permanency and creative strategies to move youth safely back into the community as quickly as possible with no recidivism.</p>

## **EXHIBIT 2 – UPDATED STATUS – GRAND JURY REPORTS 2006 – 2010**

The following provides the status of the recommendations made in the 2006 through 2010 Civil Grand Jury Reports. The Department of Children and Family Services (DCFS) has implemented 75 of the 121 recommendations and made significant progress in the remainder. Each year is summarized for easy review.

### 2009 – 2010 Child Abuse Reporting and Response Report

The Grand Jury's review was precipitated by the implementation of a system to speed up and standardize the reporting of and response to Suspected Child Abuse Reports to law enforcement agencies. The Grand Jury made recommendations to strengthen and formalize the interfaces among responding agencies. There were a total of eight recommendations of which five have been fully implemented and three are partially implemented (see Exhibit 1-A). We have highlighted some of our accomplishments, as follows:

We have fully implemented the Electronic Suspected Child Abuse Report (E-SCAR) system, and we meet regularly with law enforcement partners. We also developed a draft Memorandum of Understanding (MOU) however, given the development of various enhancements to the E-SCAR system, it has not been finalized. We anticipate the MOU will be finalized by January 2012. DCFS Social workers are co-located in seven of 21 Los Angeles Police Department (LAPD) stations, six of 23 Los Angeles Sheriff Department (LASD) Agencies, and six of 46 independently run law enforcement agencies. We have updated our MOU with LASD and are drafting an Operational Agreement with the Independent Agencies to ensure uniformity and best practice. We are in full agreement that co-location of social workers at law enforcement facilities will help promote better communication and will continue working with our partners to strengthen our partnerships.

### 2008 – 2009 The Plight of At-Risk Youth in Los Angeles County Report

The Grand Jury Report details the findings following in-depth reviews of eight areas of County departments that may have answers to the reasons for the number of youth gang members, number of children in foster care, and number of children who drop out of school. Some of the areas investigated were youth employment programs and services in Los Angeles County and its municipalities, County Hub Clinics providing medical services for children in the child welfare system, information technology and impediments to information sharing among agencies serving at-risk youth, and extending the age of emancipation for foster care. The Grand Jury directed 33 recommendations to DCFS of which 20 have been implemented; six are either in progress or partially implemented; two have not been implemented; one is no longer applicable; we are unable to implement three recommendations we disagreed with one recommendation (item 6.1) in our original response (see Exhibit 1-B).

We have implemented all the recommendations which addressed youth employment programs and services and AB 12. In summary, we implemented a Career Develop-

ment Intern Program and, although there have been some fiscal limitations which have affected our ability to obtain an exemption to the hiring freeze, we continue to request approvals on a case-by-case basis to hire former foster youth. The Board of Supervisors recently approved the allocation of \$1 million dollars each in fiscal years 2011-12 and 2012-13 to allow for an equal redirection of Chafee funds for the Youth Development Services (YDS) Individualized Transition Skills Program contract. This would allow coverage for the following services for dependent transition age youth: exam/application fees, high school graduation expenses, directors scholarships for those participants college bound at the Celebrations I & II events, computers, diploma and GED incentives, academic assessments, Life Skills training classes, and Transitional Housing Placement Program (THPP) beds.

The recommendations which address the Medical Hubs and public health nurses have been more challenging to fully implement due to workload and fiscal impacts. We have fully implemented the E-mHub electronic referral system, which has enhanced communication between the Hubs and DCFS with regard to the care and services children requested and received. We are also working on a web-based patient information system which will give DCFS the ability to interface with various tracking reports such as the Medical Hub Appointment, Forensic Utilization Reports and the upcoming Initial Medical Examination Utilization Report. We are working with the Department of Health Services, Department of Mental Health and Chief Executive Office for the implementation of the Enterprise Master Person Index (EMPI). The EMPI will identify common clients of County services and, when it is legally permissible to do so, facilitate the secured sharing of information for improving services and coordinating service delivery.

Three DCFS social workers are currently out stationed at two of the Hubs. The Board of Supervisors recently approved the use of Title IV-E Waiver funds to co-locate an additional eight temporary CSWs at Hubs. We anticipate that full implementation of out stationed social workers at the Medical Hubs will increase the effectiveness of medical case management as well as coordination of services.

Lastly, we are in our second year of implementation of our five-year Katie A. Strategic Plan. We are participating on weekly Katie A. State Implementation Team meetings and on an on-going basis with the Katie A. Advisory Panel, who monitors the progress of the lawsuit. We continue to make significant improvements in service delivery for children and families.

#### *2007 – 2008 Helping Probation and Foster Care Youth Prepare for Adulthood and Independence*

The Grand Jury investigated if there were any correlations with social service and probation systems' statistics and findings by a Select Committee of the California State Legislature that 70% of all state prison inmates were formerly part of the foster care system, as well as a homeless rate within 18 months and an unemployment rate of 51% within two to four years after emancipation. The Grand Jury made recommendations that address organizational changes to reduce the number of youth entering the system, new and expanded programs to serve Transitional Age Youth, and improvements in ef-

iciency and effectiveness of the agencies responsible for their well-being. The Grand Jury directed 39 recommendations to DCFS of which 27 have been implemented; eight are partially implemented; two have not been implemented; and two are no longer applicable (see Exhibit 1-C). We have highlighted some of our accomplishments, as follows:

The County's Chief Executive Office formed a Self-Sufficiency Committee in 2010 which meets monthly and oversees the Department's Youth Development Services redesign plans. The Board of Supervisors approved the Self-Sufficiency Plans in March 2011. In 2010, we implemented a two-year project called Gramercy Place for young and parenting emancipated youth. We have implemented many resources for transition youth such as office-based teen clubs, enhanced living skills, and in 2012 we will provide one-on-one coaching for youth 16 to 18. We increased our collaborations with entities like the California Youth Connection (CYC) and scholarship programs. We are also developing a new Department strategic plan in which Well-Being/Self-Sufficiency is one of six established goals.

The Board of Supervisors recently approved the increase of the Prevention Initiative Demonstration Project by an additional \$1.25 million for fiscal year 2011–2012 and to fund an additional year (FY 2012–2013) for a total program budget of \$2.5 million. We are also incorporating various strategies into the Promoting Safe and Stable Families/CAPIT program re-design, which target high risk families and high risk children for proactive intervention. We, along with the Department of Public Health Substance Abuse Prevention and Control, are working to strengthen prevention efforts through Project SAFE (Screening and Assessment for Family Engagement).

With regard to a mentoring program to increase each child's level of trust of the system, we were successful in funding a two-year contract (2008-2010) which provided recruitment, training, matching and supervision to 200 volunteer mentors and DCFS and Probation youth. However, due to funding constraints, we were unable to extend the contract. Nonetheless, we continue to work with Children Uniting Nations which supports up to 100 mentors matched with foster youth.

The Los Angeles County Office of Education (LACOE) will be outstationing eight Educational Counselors in DCFS regional offices beginning December 2011 to better address educational needs and provide support to Children's Social Workers (CSW), youth and families. We are partnering with Probation and the Department of Mental Health as part of multidisciplinary teams to address the needs of youth who are at risk of "crossing over" to Probation. The Gloria Molina Foster Youth Education Program is another collaborative effort between LACOE, Education Coordinating Counsel and Probation to better address and support the educational needs of foster youth which will be expanded. The Board of Supervisors recently approved the allocation of Title IV-E Waiver funds to expand the Supervisor Molina's project to co-locate CSWs in twenty schools across the County.

We have worked with LACOE, the Sacramento Office of Education, the Stuart Foundation, and the Pomona and Pasadena Unified School Districts in attempts to acquire the

Foster Focus Data Education Data Base System as a means to upload information from school districts and LACOE into one central data base containing all pertinent education records for youth. We continue to explore the feasibility of implementation with an anticipated target date of July 2014.

The Department also created a resource guidebook for all Transition Age Youth (TAY), which provides information about opportunities with the U.S. Military and Forestry Service. On December 12, 2011, DCFS regional offices were provided with a list of speakers and contact information from these organizations for speaker presentations at the established Teen Clubs.

2006 – 2007 Juvenile Custodies - Are We Paying Twice, Triple Jeopardy and Crisis in Communication

The Grand Jury Report addressed communication issues among County departments which negatively impacted outcomes for children. The Juvenile Custodies section addressed the lack of communication and oversight between DCFS, the Department of Public Social Services and the Probation Department as it relates to replicated funding supports for the same child. Lack of communication may result in substantial taxpayer funds being wasted. In the Triple Jeopardy section, the Grand Jury investigated the use of congregate care for children in child welfare and juvenile justice systems and emphasized systems, organizational and program issues in DCFS and Probation. In the Crisis in Communication section, timely and appropriate information sharing was noted as key for early intervention to prevent child abuse and neglect and noted that federal, state and county restrictions on releasing information can work against the safety and well being of children.

The Grand Jury directed 41 recommendations to DCFS of which 26 have been implemented; seven are partially implemented; two have not been implemented; four are no longer applicable; and we disagreed with two recommendations (items 1.3 and 3.7) in our original response (see Exhibit 1-D). We have highlighted some of our accomplishments, as follows:

In 2008, an MOU was established between DCFS and Probation to address establishment of eligibility for foster care and issuing payments on behalf of the Probation Department. Since 2008, DCFS and Probation have met on a monthly basis and shared monthly reports on Probation youth in out of home care, and changes in legislation that may impact eligibility, and overpayments. As of October 2010, Probation has access to CWS/CMS and now our two departments can integrate Probation case management information with foster care.

In 2008, we issued Procedural Guide, 0500-501.30, Disclosures of Health and mental Health Information to and from County Department which have Custody of a Child, and confirmed that sufficient legal authority exists for the Department of Health Services (DHS) to share information with DCFS pursuant to Civil Code Section 53.103, Welfare and Institutions Code 830 18951(d) and 18961.7 as well as an interdepartmental MOU. We have improved our communication systems with the DHS. Our Medical Director

meets monthly with Hub Medical Directors and administrators to navigate issues and barriers to seamless service delivery. Local Hub meetings are held to address specific Hub-related issues and develop plans to resolve them. Lastly, Suspected Child Abuse and Neglect (SCAN) teams have been incorporated into the Hubs in order to provide immediate forensic evaluation and initial medical examinations; both include a mental health screening.

With regard to group homes, the monitoring responsibility is no longer under the Office of the Auditor-Controller and now rests with Probation and DCFS. We have revised our monitoring protocols and tools, re-trained monitors, and held various workgroups with providers. The Auditor-Controller continues to conduct fiscal reviews of group homes and Foster Family Agencies (FFA). We maintain close working relationships with Probation and the State Community Care Licensing. The Performance Measures Task Group continues to meet and various workgroups have been developed to improve how we monitor outcomes in the area of safety, such as new Special Incident Reporting guidelines and improvements to the Needs and Services Plans. In early 2011, we reestablished the Out of Home Care Investigation Unit which conducts investigations of FFAs.

Since 2008, we have executed 16 contracts with FFAs to provide treatment foster care. Twelve contracts are for Intensive Treatment Foster Care (ITFC), and require that the FFA have a contract with DMH and that FFA staff are trained in and deliver at least one of two Evidenced-Based practices to the youth in these treatment foster homes. Four contracts are for FFAs Multi-dimensional Treatment Foster Care (MTFC). The goal is to have 220 ITFC slots and 80 MTFC slots by the end of 2012. We are also in the process of re-designing the D-rate Program to build in more support and guidance for the D-Rate foster parent. The goal is to enhance the support and training of the D-Rate foster parent as well the behavioral and mental health interventions for the D-Rate youth.

In 2008, as part of the overall Team Decision (TDM) Making Resources Management Process (RMP), we implemented the use of the Child & Adolescent Needs and Strengths (CANS) tool. The process consists of conducting a thorough assessment and holding interdisciplinary team conferences. The tool includes a mental health section, which is completed in conjunction with DMH clinicians who are co-located in DCFS offices. We use this tool for all initial placements, replacements and exit decisions through the AMP. We have piloted the use of CANS with some congregate care providers to help gauge progress toward exiting short-term care to support community based settings and have incorporated the use of CANS into the group home contract language.

In December 2010, along with DHS, we implemented a two-year Residentially-Based Services (RBS) pilot with a goal of shortening group home stays, and better outcomes with cost neutrality. The pilot will provide empirical and financial data to support the design for county-wide implementation. Lastly, with the return of the monitoring function to DCFS and Probation, we have been working together on how to best acknowledge providers who achieve meaningful outcomes.

There have been several organizational changes within DCFS over the last four years which may have impacted the Department's ability to fully implement some of the recommendations. However, it should be noted that although the exact letter of the recommendation may not have been implemented, the Department has implemented the policies, practices, programs and services to accomplish the intent behind the Grand Jury Reports which is to improve the lives of children and families in Los Angeles County.

## ACRONYMS

<b>BOS</b>	Los Angeles County Board of Supervisors
<b>CEO</b>	Chief Executive Officer
<b>CFWBC</b>	Children and Families Well Being Cluster
<b>CHDP</b>	California's Child Health and Disability Prevention Program
<b>CHEERS</b>	Child Health and Education Electronic Record
<b>CIO</b>	Chief Information Officer
<b>CSW</b>	Children's Social Worker
<b>CYC</b>	California Youth Connection
<b>DA</b>	District Attorney
<b>DCEO</b>	Deputy Chief Executive Officer
<b>DCFS</b>	Department of Children and Family Services
<b>DHS</b>	Department of Health Services
<b>DMH</b>	Department of Mental Health
<b>DPH</b>	Department of Public Health
<b>DPSS</b>	Department of Public Social Services
<b>EMPI</b>	Enterprise Master Person Index
<b>E-SCAR</b>	Electronic Suspected Child Abuse Report
<b>FFA</b>	Foster Family Agencies
<b>HCPCFC</b>	Health Care Program for Children in Foster Care
<b>HSA</b>	Human Services Aid
<b>ICAN</b>	Interagency Council on Neglected and Abused in Los Angeles County
<b>ITFC</b>	Intensive Treatment Foster Care
<b>LACOE</b>	Los Angeles County Office of Education
<b>LASD</b>	Los Angeles Sheriff's Department
<b>MTFC</b>	Multidimensional Treatment Foster Care
<b>PHN</b>	Public Health Nurse
<b>PIDP</b>	Prevention Initiative Demonstration Project
<b>RA</b>	Regional Administrator
<b>RBS</b>	Residentially Based Services
<b>SAFE</b>	Screening and Assessment for Family Engagement
<b>SAPC</b>	Substance Abuse Prevention and Control
<b>SCAN</b>	Suspected Child Abuse and Neglect
<b>TAY</b>	Transition Age Youth
<b>THPP</b>	Transitional Housing Placement Program
<b>YDS</b>	Youth Development Services



# TOPICS OF CONCERN





# **CENTRAL BASIN MUNICIPAL WATER DISTRICT**



## **COMMITTEE MEMBERS**

**Rik Shubb – Chair  
Delora Brown  
Magdalene Y. Ho  
Thomas C. Wentz  
Margaret Yzaguirre**



# CENTRAL BASIN MUNICIPAL WATER DISTRICT

## INTRODUCTION

The 2011-2012 Los Angeles County Civil Grand Jury (CGJ) performed an investigation of the Central Basin Municipal Water District (CBMWD) based on concerns regarding best business practices. The investigation included the following:

- Administration policies and procedures
- Financial management practices
- Contracts procurement
- Representation on the Metropolitan Water District Board

## BACKGROUND

The Mission Statement of the CBMWD is to exercise the powers given to the District under its establishing act, utilizing them to the benefit of parties within the District and beyond. To acquire, sell and conserve imported and other water that meets all required standards and to furnish it to our customers in a planned, timely and cost-effective manner that anticipates future needs.<sup>1</sup>

## METHODOLOGY

The CGJ conducted multiple meetings with CBMWD management to learn how CBMWD serves the cities within its jurisdiction. The meetings served as an overview of the printed CBMWD Strategic Plan and a printed financial overview of the District as well.

## DISCUSSION

The CBMWD provided the CGJ with documentation about the administrative policies and procedures that verified compliance with standard business practices and procedures.

CBMWD is currently restructuring its financial management practices department to improve its policies, procedures and personnel.

Accountability and consistency require a well-designed and maintained system of documenting accounting policies and procedures. This documentation can also provide a useful training tool for financial staff. Accepted government accounting policies and practices state that appropriate levels of management emphasize the importance and authority of these practices.

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<sup>1</sup> [www.centralbasin.org](http://www.centralbasin.org)

Accounting policies and procedures should be readily available to all employees. Procedures should be described as they are actually intended to be performed, rather than in idealized form, and explain the design and purpose of control in order that the employee understands and supports the controls.

The purpose of internal controls is to safeguard financial assets from error, loss, theft, misuse, misappropriation, and fraud. Internal control procedures over financial management should be documented. Financial managers and internal auditors evaluate internal procedures and design corrective measures, as needed.

Currently, all contracts with CBMWD are awarded to vendors based on the open bid process established by the Board of Directors. If a vendor has unique technology, a sole source contract may be awarded based on the unique nature of project needs.

The costs of goods and services acquired by procurement and contracting are a substantial expenditure for CBMWD. Documentation of the procurement process is necessary to ensure compliance. Good business practices adhere to the policy of maintaining a purchasing officer with the responsibility for overseeing the procurement process and ensuring compliance with purchasing requirements.

## **FINDINGS**

1. CBMWD currently does not have a Chief Financial Officer and uses a consultant for financial advice for investments.
2. CBMWD serves a large number of cities with a high density of citizens but is under-represented on the voting Board of the MWD. Votes are determined by the assessed value of the residents' properties, rather than population and water use.

## **RECOMMENDATIONS**

1. **The Central Basin Municipal Water District** should hire a Chief Financial Officer or the equivalent to ensure financial stability and a viable investment portfolio.
2. **The Central Basin Municipal Water District** should develop effective accounting policies and procedures, effective internal controls, and separate the authority and the responsibility of handling of assets.
3. **The Central Basin Municipal Water District** should hire a purchasing officer or the equivalent to oversee procurement and contracts





# **CITIZEN COMPLAINT: CASTAIC LAKE WATER AGENCY**

## **Recycled Water Infrastructure Billing**



### **COMMITTEE MEMBERS**

**Magdalene Y. Ho – Chair**  
**Bill Bertrand**  
**Anita L. Wong**



# **CITIZEN COMPLAINT: CASTAIC LAKE WATER AGENCY**

## **Recycled Water Infrastructure Billing**

### **INTRODUCTION**

The 2011–2012 Los Angeles County Civil Grand Jury (CGJ) received a complaint against the Castaic Lake Water Agency (CLWA), a wholesale water supplier in the Castaic Lake area. The complainant alleged that the cost of developing the CLWA infrastructure for providing recycled water is inappropriately passed on to existing water users in the Castaic Lake general community. (Refer to Citizen Complaint Summary: case# 50)

The complainant receives potable water from Newhall Water Agency, a retail water supplier which purchases only potable water from CLWA. The complaint to the Civil Grand Jury alleged that:

1. Castaic Lake Water Agency continues to expand its recycled water distribution system at the expense of existing water users
2. CLWA designed and built a new recycled water plant and pipelines serving only one customer, a private golf course which purchases both potable and recycled water from CLWA, and continues to prorate the capital expense to existing water users
3. CLWA has been unable to get new customers to use this water for irrigation due to the cost of retrofitting existing pipe
4. CLWA subsidizes the costs of this recycled water to the recycled water user, making it less expensive than what it costs to actually deliver it.

### **METHODOLOGY:**

The CGJ reviewed applicable state laws, city ordinances and various water districts resolutions.

California Senate Bill 1672 created the Integrated Regional Water Management Act (IRWM) in 2002 to encourage local water agencies to work cooperatively to manage local and imported water supplies to improve not only the quality, but also the quantity and reliability of water supply.

California Water Code Sections 13550-13551 also state:

13550. (a) The Legislature hereby finds and declares that the use of potable domestic water for non-potable uses, including, but not limited to, cemeteries, golf courses, parks, highway landscaped areas, and industrial and irrigation uses, is a waste or an unreasonable use of the water ...

13551. A person or public agency, including a state agency, city, county, city and county, district, or any other political subdivision of the state, shall not use water from any source of quality suitable for potable domestic use for non-potable uses, including cemeteries, golf courses, parks, highway landscaped areas, and industrial and irrigation uses if suitable recycled water is available as provided in Section 13500; ...

California voters passed the following propositions providing grant funds for the implementation of the IRWM (from <http://www.water.ca.gov/irwm/>):

- November 2002 - Proposition 50, the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, which provides \$500,000,000 (CWC Sections 79560-79565) to fund competitive grants for projects consistent with an adopted IRWM plan.
- November 2006 - Proposition 84, the Safe Drinking Water, Water Quality, and Supply, Flood Control, River and Coastal Protection Bond Act, which provides \$1,000,000,000 (PRC Sections 75001-751430) for IRWM Planning and Implementation.
- November 2006 - Proposition 1E, the Disaster Preparedness and Flood Prevention Bond Act, which provides \$300,000,000 (PRC Sections 5096.800-5096.967) for IRWM Storm-water Flood Management.

The CGJ interviewed officials of the Los Angeles County Sanitation Districts (LACSD) at the Santa Clarita Reclamation Plant. The plant processes the recycled water and supplies it to CLWA. The operational functions of the plant and its relationship to other related water districts were explained to the CGJ.

The CGJ also interviewed officials from CLWA, the Auditor-Controller's office, the Assessor's office, and Valencia Water Agency (VWA), another retail water supplier that purchases water from CLWA. The CGJ received, reviewed and analyzed supporting documentations such as applicable laws and mandates, water bills, property tax bills, original and updated Castaic Lake Water Agency Recycled Water Master Plan, related Environmental Impact Report, the CLWA's Proposed 2011 Facility Capacity Fees study and other reports from related agencies.

**FINDINGS:**

1. CLWA continues to expand its recycled water distribution system under state mandate and duly adopted integrated regional water management plans.
2. Recycled water plants are built and operated by the LACSD. CLWA purchases recycled water from LACSD and sells to its current single retail recycled water customer, VWA.

A significant portion of the funding for CLWA's current recycled water delivery system is from State Water Resource Department grants. The awarding of such grants is predicated on the CLWA agreeing to the terms of the Department of Water Resources Grant Agreement which includes the mandated reduction of dependency on the Sacramento-San Joaquin Delta water supply.

The *ad valorem* property tax rate on the real property tax bill is calculated by CLWA, and the tax is used to pay for the anticipated cost of delivering potable water to the district via State Water Project as well as for the repayment of the bond issue for the State Water Project construction.

Part of the 1% real property tax on all the properties of CLWA's service area is allocated to CLWA to pay for the CLWA's capital improvements program, including both potable and recycled water systems.

Currently, the Tournament Player's Club golf course is the only recycled water customer. It pays a monthly facility connection fee to VWA for recycled water access in addition to the cost of actual recycled water used.

3. Recycled water is delivered only in dedicated recycled water lines.

CLWA has continued to work with retail water purveyors, the LACSD, and other agencies to comply with mandated conservation plan and recycled water use plan to meet the requirements of bills such as Senate Bill 7 (SBX7-7), which mandates that urban water suppliers reduce per capita water use by 20% by 2020 or lose their eligibility to State grant funding.

There will be new recycled water users when appropriate infrastructure is in place and economic conditions are favorable.

4. Under the authority of the Castaic Lake Water Agency Act and duly adopted Resolution No. 2180 in 2002, CLWA is to establish:

...its water rate for recycled water, on a volume basis as 80% of normal retail water distributor rate to an end user of the distributor as that rate may change from time to time and authorized the Agency's General Manager to promulgate management procedure orders in furtherance of the Agency recycled water rate; ...

Review of a recent recycled water bill to the sole recycled water user showed that the recycled water was billed at more than 93% of the user's corresponding potable water rate.

## **CONCLUSION**

CLWA is mandated to provide recycled water in its total service area. See Exhibit A for water recycling requirements imposed on CLWA.

The CLWA have operated appropriately within local and state mandates. The CGJ recommends no further action.

## **EXHIBIT A – Water Recycling Requirements**

### **ACRONYMS**

<b>CGJ</b>	Los Angeles County Civil Grand Jury
<b>CLWA</b>	Castaic Lake Water Agency
<b>IRWM</b>	Integrated Regional Water Management Act
<b>LACSD</b>	Los Angeles County Sanitation District
<b>VWA</b>	Valencia Water Agency





**CITIZEN COMPLAINT: CITY OF LONG BEACH**  
**Unfunded Pension, Retirement Age,**  
**Pickup Pension**



**COMMITTEE MEMBERS**

**Bobbi Miller – Chair**  
**Leah V. Granof**  
**Magdalene Y. Ho**  
**Anita L. Wong**



# **CITIZEN COMPLAINT: CITY OF LONG BEACH**

## **Unfunded Pension, Retirement Age, Pickup Pension**

### **INTRODUCTION**

The 2011–2012 Los Angeles County Civil Grand Jury (CGJ) received a complaint against the City of Long Beach from a group of citizens. (Refer to Citizen Complaint Summary: Case # 25)

The complainants focused on three areas:

1. The \$1.2B unfunded City of Long Beach pension liability
2. The City pickup of the employee pension obligation
3. The alleged 2002 violation of the Long Beach City Charter by the 2002 City Council, Mayor and City Attorney when they allowed the reduction in retirement ages without a vote of the people as mandated by the City Charter. At that time, age of early retirement was reduced from 55 to 50 years old.

### **METHODOLOGY**

The CGJ interviewed city officials and reviewed pertinent documents such as the City Charter, amendments to the retirement plan, actuarial reports, CalPERS Optional Benefits Listing, and recommendations to the city officials regarding amendments to the retirement plan.

### **FINDINGS**

The CGJ found the following:

- The unfunded pension liability: The actuarial reports and projections were made at a time of economic prosperity. Long Beach, as well as other cities did not predict or foresee the downturn in the economy and negative investment returns which resulted in increased City benefit contribution obligation and unfunded pension liability.
- The City pickup of city employee pension obligation: The pickup of the employee pension plan obligation was authorized in 1983 by an amendment to the City's pension plan.
- The Long Beach City Charter gives the City authority over retirement plans. Therefore, the City Council can amend retirement plans and sets the retirement age at 65. However, when the City contracted with CalPERS. It became subject to CalPERS authority, benefits and options. CalPERS is constituted under State law which supersedes the Long Beach City Charter. Thus, the Long Beach City Council by its Charter could amend the CalPERS plan but was bound by the

CalPERS options. The CalPERS options allowed retirement age from 55 to 50 years old.

The CGJ recommends no further action.

## **ACRONYMS**

**CalPERS** California Public Employees' Retirement System  
**CGJ** Los Angeles County Civil Grand Jury

**CITIZEN COMPLAINT: EMERGENCY  
OPERATIONS BUREAU  
OF LOS ANGELES COUNTY**



**COMMITTEE MEMBERS**

**Delora Brown – Chair  
William F. Guzman  
Anita L. Wong**



# **CITIZEN COMPLAINT: EMERGENCY OPERATIONS BUREAU OF LOS ANGELES COUNTY**

## **INTRODUCTION**

The 2011-2012 Los Angeles Civil Grand Jury (CGJ) received a citizen's complaint regarding the volunteer ham operators with the Los Angeles County Disaster Communications Service (DCS) under the Emergency Operations Bureau (EOB). The complainant expressed concern about the reduction of volunteers, inadequate training, non-credentialed volunteers, and use of members as quasi-law enforcement officers.

## **BACKGROUND**

As part of the EOB, a volunteer group of ham operators was enlisted for use as a last resort for disaster communications. In a major disaster, if the front line of communication were to fail, the ham operators would provide valuable alternate communication.

The complainant claimed that prior to 2007 the volunteer group had over 2,300 volunteer operators and was merged with the EOB personnel. Since then, the complainant asserted that this figure was reduced to 185 volunteer operators and two people were terminated. The complainant alleged that at present the County is acting against the DCS's rules and regulations and that the EOB no longer has a DCS volunteer backup. The complainant asked for reinstatement and training for all volunteer ham operators.

## **METHODOLOGY**

The 2011-2012 Los Angeles County Civil Grand Jury:

- Reviewed the past CGJ Reports of 2005-2006 and 2006-2007 regarding the EOB.
- Met with the EOB staff and discussed the complaint, the status of the operations, and the issue of volunteer ham operators.

## **FINDINGS**

After the meeting with the EOB staff, the CGJ concluded:

- That, based on documentation, the complaint was not accurate as to the reduction of volunteers, inadequate training, non-credentialed volunteers and use of members as quasi-law enforcement officers.
- That adequate training was being provided for volunteer ham operators.

The CGJ recommended that no further investigation was needed at this time.

**ACRONYMS**

<b>CGJ</b>	Los Angeles County Civil Grand Jury
<b>DCS</b>	Los Angeles County Disaster Communications Service
<b>EOB</b>	Emergency Operations Bureau

# STANDING COMMITTEE REPORTS





# AUDIT COMMITTEE



## COMMITTEE MEMBERS

**Thomas C. Wentz – Chair**  
**Leah V. Granof**  
**Magdalene Y. Ho**  
**Thomas Joyner**  
**Alf Schonbach**  
**Rik Shubb**



# AUDIT COMMITTEE

## INTRODUCTION

The Audit Committee is responsible for identifying qualified consulting or audit firms for use by the Civil Grand Jury (CGJ) when it conducts:

- fiscal audits
- management audits
- operational performance investigations

The Audit Committee participates with investigative committees of the Civil Grand Jury to select specific audit and consulting firms, assists with contract negotiations with selected firms, audits contract progress and compliance of the selected contractors, and approves invoices for payment.

## BACKGROUND

Under California Penal Code §§ 925, 925(a), 926, 993.1, and 933.5, the CGJ is empowered to investigate local government agencies within Los Angeles County, including Los Angeles County government, cities within Los Angeles County, and school districts and special districts within the County.

Authority is provided by the Los Angeles Superior Court to make use of outside audit and consultant firms to assist the CGJ in the course of its investigations. Funding for this purpose is provided by the Board of Supervisors.

## METHODOLOGY

The Civil Grand Jury selected five (5) investigative topics requiring expertise and technical skills to be provided by contract consultants. To select appropriate firms to provide these services, the Audit Committee undertook the following steps:

1. Identified and assembled a master list of qualified and available accounting or consulting firms.
2. Held initial interviews with selected qualified firms for possible contract consideration.
3. Advised and assisted each investigative committee that required an audit firm to prepare project goals and objectives for inclusion in requests for proposals.
4. Assisted investigative committees by arranging and participating in interviews with selected audit firms to determine the best suited firms for each particular investigation approved for use of contract assistance.
5. Assisted the investigative committees in reviewing submitted proposals and selecting firms most appropriate for their investigations.

6. Assisted in the final approval of audit contracts by obtaining contract approval from the CGJ, the County Counsel, and the Supervising Judge.

Following execution of auditing contracts, the Audit Committee also:

1. Assisted the investigative committees in monitoring the progress of the audit firms in executing project plans, and resolving any problems in order to achieve correct and complete project results.
2. Monitored and approved contractor invoices, ensuring that contract payments were consistent with contract deliverables and payment schedules.
3. Considered and made recommendations as needed for changes to the Audit Committee section of the CGJ Administrative Manual.

## **FINDINGS**

From the list of auditors on the Los Angeles County Auditor-Controller's Master Agreement list of pre-approved auditors and consultants, the Audit Committee recommended three (3) firms to the CGJ for consideration. The 2011-2012 Los Angeles County Civil Grand Jury engaged these three audit/consulting firms to assist with four (4) reports: 1) Patient Protection and Affordable Care Act: Challenges and Opportunities for Senior Care; 2) Expanding the Role of Hub Clinics – At-Risk Children (0-5) and Fragile Youth (18+) 3) DCFS and Child Death Mitigation in Los Angeles County; and 4) Charter City Governance.

## **ACRONYMS**

**CGJ**

Civil Grand Jury

**DCFS**

Department of Children and Family Services

# CITIZEN COMPLAINT COMMITTEE



## COMMITTEE MEMBERS

**Bobbi Miller – Co-Chair**  
**Anita L. Wong – Co-Chair**  
**Bill Bertrand**  
**Karen Stracka**  
**Margaret Yzaguirre**



# CITIZEN COMPLAINT COMMITTEE

## INTRODUCTION

The Citizen Complaint Committee (CCC) is a standing committee of the Los Angeles County Civil Grand Jury (CGJ). The primary function of the CCC is to review citizen complaints, and perform independent evaluations of the complaints. The complaint must be in writing and is treated by the CGJ as confidential.

All citizens of Los Angeles County have the legal right to raise concerns requiring investigation into County matters of civil concern affecting the general public welfare. Those concerns must fit within certain jurisdictional limits, i.e., they must arise within Los Angeles County, Municipalities, agencies, Joint-Power Agencies and Special Districts within the County.

## METHODOLOGY

The CGJ administration staff receives a complaint, logs it and assigns a case number. See Appendix A for the Citizen Complaint form and guidelines which can be found on the Civil Grand Jury website. A letter of acknowledgement is then sent to the complainant. See Appendix B for a sample letter of acknowledgment.

The CCC members review, analyze, comment and enter their recommendations on a worksheet. See Appendix C for the Citizen Complaint Committee Summary.

### **Criteria for complaints that do not fall under the CGJ jurisdiction:**

- A complaint regarding state or federal government agency
- Complaints, or subject matter pending in other Court judicial venues.

In reviewing the complaints, it is essential that the following information be determined from the documentation submitted as part of the evaluation process:

1. Who or what governmental agency is the object of the complaint?
2. What is the exact nature or substance of the complaint?
3. What action or conduct was improper or illegal?
4. Where and when did the action, conduct or incident occur?
5. What were the consequences of such action?
6. What response or remedy is being sought?
7. What documents are attached to the complaint?

**FINDINGS**

The 2011-2012 CCC reviewed (61) citizen complaints as of March 09, 2012. One of the cases from the 2010-2011 CGJ, that was received and processed late in its term, was carried over and processed by the 2011-2012 CCC. See Exhibit B: Citizen Complaint Committee – Summary.

The complaints that were processed fell into ten categories.

<b>Complaint Categories:</b>	<b>Number of Complaints</b>
1. Court Adjudicated Civil Matters, Criminal Matters	15
2. Misconduct by County governments, County Officials	3
3. Misconduct by City governments, City Officials	6
4. Misconduct by Law Enforcement – LAPD	5
5. Misconduct by Law Enforcement – LASD	8
6. Misconduct by Law Enforcement – Municipal Cities	6
7. Prison conditions, or mistreatment of inmates	1
8. Water districts: Castaic Lake Water, Glendale Water & Power	3
9. School Districts: LAUSD, LACCD	3
10. Miscellaneous	11
<b>Total Complaints</b>	<b>61</b>

<b>Disposition actions by Civil Grand Jury</b>	<b>Number of Complaints</b>
1. No jurisdiction over subject matter	1
2. No action taken	49
3. Referred for possible investigations	11

Of the 11 complaints referred for possible investigations, three complaints were further investigated.

## SUMMARY

The following sub-committees formed as a result of citizen complaints:

- The Emergency Operation Bureau of Los Angeles County
- City of Long Beach – Unfunded Pension, Retirement Age, and pickup employee Pickup Pension
- Castaic Lake Water Agency – Recycled Water Infrastructure Billing

The three resulting reports are located under “Topics of Concern” in this volume.

## APPENDICES

- A Citizen Complaint Form (from the Civil Grand Jury website:  
<http://www.lasuperiorcourt.org/jury/pdf/investigation.pdf> )
- B Letter of Acknowledgment
- C Citizen Complaint Committee Summary

## ACRONYMS

<b>BOS</b>	Board of Supervisors
<b>CCC</b>	Citizen Complaint Committee
<b>CEQA</b>	California Environmental Quality Act
<b>CERT</b>	Community Emergency Response Teams
<b>CGJ</b>	Civil Grand Jury
<b>CHP</b>	California Highway Patrol
<b>CLWA</b>	Castaic Lake Water Agency
<b>DA</b>	District Attorney
<b>DCFS</b>	Department of Children and Family Services
<b>DWP</b>	Department of Water and Power
<b>GWP</b>	Glendale Water and Power
<b>ID</b>	Identification
<b>IHSS</b>	In Home Support Services
<b>LAC</b>	Los Angeles County
<b>LACCD</b>	Los Angeles Community College District
<b>LACCGJ</b>	Los Angeles County Civil Grand Jury
<b>LACERA</b>	Los Angeles County Employee Retirement Association
<b>LALCLC</b>	Los Angeles County Legal Counsel
<b>LAPD</b>	Los Angeles Police Department
<b>LASD</b>	Los Angeles Sheriff’s Department
<b>LAUSD</b>	Los Angeles Unified School District
<b>PD</b>	Police Department
<b>RFP</b>	Request for Proposal
<b>SSI</b>	Social Security Income

**APPENDIX A**

**CITIZEN COMPLAINT FORM**

Los Angeles County  
**CIVIL GRAND JURY**  
Clara Shortridge Foltz Criminal Justice Center  
210 West Temple Street, Eleventh Floor, Room 11-506  
Los Angeles, CA 90012

**Please Review Complaint Guidelines**

**DATE:** \_\_\_\_\_

**PLEASE PRINT**

1. **Who:** Your Name: \_\_\_\_\_

Address: \_\_\_\_\_

City, State, Zip, Code: \_\_\_\_\_

Telephone: (\_\_\_\_) \_\_\_\_\_ Extension: \_\_\_\_\_

2. **What:** Subject of Complaint. Briefly state the nature of complaint and the action of what *Los Angeles County* department, section, agency, or official(s) that you believe was illegal or improper. Use additional sheets if necessary.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. **When:** Date(s) of incident: \_\_\_\_\_

\_\_\_\_\_

4. **Where:** Names and addresses of other departments, agencies or officials involved in this complaint. Include dates and types of contact, i.e. phone, letter, personal. Use additional sheets if necessary.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. **Why/How:** Attach pertinent documents and correspondence with dates.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### Complaint Guidelines

Communications from the public can provide valuable information to the Civil Grand Jury. Receipt of all complaints will be acknowledged. If the Civil Grand Jury determines that a matter is within the legally permissible scope of its investigative powers and would warrant further inquiry, additional information may be requested. If a matter does not fall within the Civil Grand Jury's investigative authority, or the jury determines not to investigate further a complaint, no action will be taken and there will be no further contact from the Civil Grand Jury.

The findings of any investigation conducted by the Civil Grand Jury can be communicated only in a formal final report, which is normally published at the conclusion of the Grand Jury's term of empanelment (June 30th).

The Civil Grand Jury has no jurisdiction or authority to investigate federal agencies, state agencies, or the courts. Only causes of action occurring within the County of Los Angeles are eligible for review. The jurisdiction of the Civil Grand Jury includes the following:

- Consideration of evidence of misconduct against public officials within Los Angeles County.
- Inquiry into the condition and management of the jails within the county.
- Investigation and report on the operations, accounts, and records of the officers, departments or functions of the county including those operations, accounts, and records of any special legislative district or other district in the county created pursuant to state law for which the officers of the county are serving in their ex officio capacity as officers of the districts.
- Investigation of the books and records of any incorporated city or joint powers agency located in the county.

**Print This Form**

To protect your privacy, please press the Clear This Form button after you have printed this form.

**Clear This Form**

## APPENDIX B – LETTER OF ACKNOWLEDGMENT

Date

Name

Address

Address

Dear M

Your letter to the 2011-2012 Los Angeles County Civil Grand Jury, dated March 27, 2011, has been received. The Grand Jury's review of the issues raised in your letter may or may not result in an investigation, but in any event, this letter will probably be the only written response you will receive.

Please do not contact the Civil Grand Jury by telephone or in writing to inquire about the status of your matter. The Grand Jury is prohibited by law from communicating the results of any investigation to you personally, although a written report of all Grand Jury investigations is available to the general public when published at the end of June.

Please be advised that the Civil Grand Jury has no legal jurisdiction or authority to investigate federal agencies, state agencies, private entities, or the courts. Only local governments within Los Angeles County are subject to review by the Grand Jury.

Sincerely,

Staff to the Los Angeles County Civil Grand Jury.

## APPENDIX C – CITIZEN COMPLAINT COMMITTEE SUMMARY

<u>Case No.</u>	<u>Complaints and Comments</u>	<u>Action:</u> C = Closed, D = Declined, I = Investigated, J = Jurisdiction, NJ = Non-Jurisdiction, S = Speaker, V = Visit
CGJ11/12-01	DA mishandling of a 1970's case. The CA. Trial Court & Appellate Court rendered opinion that the use of "Doctrine of Fugitive Disentitlement" was correctly applied.	I/S/D/NJ/C
CGJ11/12-02	1992 homicide case of a LAPD cover up. On 06/09/11, the Los Angeles Chief of Police responded: insufficient information.	D/NJ/C
CGJ11/12-03	Two events in violation of Miranda Rights with LASD and LAPD.	D/NJ/C
CGJ11/12-04	Illegal actions and conspiracy of LA County officials & agencies.	D/NJ/C
CGJ11/12-05	Dispute within a family over embezzlement: case pending in Superior Court.	D/NJ/C
CGJ11/12-06	Mishandled speedy trial: case pending in LA Superior Court/Metropolitan Court House for failure to appear.	D/NJ/C
CGJ11/12-07	CHP misconduct. Complainant's case was denied in 2008-2009 Kern County Grand Jury, LACCGJ; 2010-2011 LACCGJ; 2011-2012 LACCGJ.	D/NJ/C
CGJ11/12-08	Child kidnapping 04/21/10: dispute with LAPD, DCFS, BOS, California Dependency Judges, and County Counsel.	D/NJ/C
CGJ11/12-09	Inmate request for a copy of Form 41500 and information on two (2) numbered cases in Long Beach and Los Angeles.	D/NJ/C CGJ does not issue forms, and does not copy case record.
CGJ11/12-10	A 1987 PC189 homicide. Wrongful prosecution by LASD, Monterey Park PD.	D/NJ/C
CGJ11/12-11	Stolen real estate property sold - case pending in Superior Court.	D/NJ/C
CGJ11/12-12	Duplicate issue on LASD dismissal of CERT Emergency Ham Radio Operators. Case # CGJ11/12-12 has been closed.	See case # CGJ11/12-16.
CGJ11/12-13	Victim beating complaint mishandled by East Los Angeles Sheriff Dept.	D/NJ/C
CGJ11/12-14	Property development corruption case of the Los Angeles DWP and Officials.	D/NJ/C
CGJ11/12-15	Wrongful termination from the LASD.	D/NJ/C
CGJ11/12-16	Complaint about LASD dismissal of CERT Emergency Ham Radio Operators. This case is pending under LASD Legal Counsel, LASD/Emergency Operations Bureau and LAC Emergency Operations Communication.	I/SV/D/NJ/C - See Emergency Operation Bureau report under "Topic of Concern".
CGJ11/12-17	Complaint case in pro per: case pending in the LAC Superior Court.	D/NJ/C

<u>Case No.</u>	<u>Complaints and Comments</u>	<u>Action:</u> C = Closed, D = Declined, I = Investigated, J = Jurisdiction, NJ = Non-Jurisdiction, S = Speaker, V = Visit
CGJ11/12-18	Complainant was denied SSI benefits.	D/NJ/C State/Federal
CGJ11/12-19	Reporting of "Truancy" by LAUSD.	I/S/D/NJ/C: Per Officials of Management/LAUSD Pupil Service - no policy in place.
CGJ11/12-20	Complaint about ID theft, mortgage fraud.	D/NJ/C State/Federal
CGJ11/12-21	Complaint about illegal activities of LAC Men's Central Jail staff.	D/NJ/C
CGJ11/12-22	Complaint that San Gabriel Police Officer would not take an assault report at the station.	D/NJ/C
CGJ11/12-23	Complaint against LAPD about arrest.	D/NJ/C
CGJ11/12-24	Group complaint: malfeasance in LACCD selection process of contractors.	I/SV/D/NJ/C - The case was investigated and completed by the LAC Office of Controller Wendy Greuel.
CGJ11/12-25	Group complaint: malfeasance of City of Long Beach Officials about unfunded pension plan, city pickup of employee pension, & lowered retirement age from 55 to 50 yrs.	I/SV/D/NJ/C - see City of Long Beach report
CGJ11/12-26	Employee wrongful termination with City of South Gate Police Dept.	D/NJ/C
CGJ11/12-27	Property dispute: case pending in Superior Court.	D/NJ/C
CGJ11/12-28	Complaint about eviction from lease. D.A. case was denied.	D/NJ/C
CGJ11/12-29	Civil dispute: case denied by County of Los Angeles Dept. of Consumer Affairs and settled in Los Angeles Superior Court.	D/NJ/C
CGJ11/12-30	Drugs, crimes in City of Santa Monica.	D/NJ/C
CGJ11/12-31	City of Torrance malfeasance: contracts with entities that are exempt or not exempt under CEQA (California Environmental Quality Act).	I/SV/D/NJ/C Statute of limitation, expired 30-180 days.
CGJ11/12-32	Civil complaint against L.A. Hawthorne Police: case pending.	D/NJ/C
CGJ11/12-33	Slumlord and dilapidated rental housing dispute: case pending.	D/NJ/C
CGJ11/12-34	Complaint about corruption within LASD. Case lacks documentation & detailed information.	D/NJ/C
CGJ11/12-35	City of Carson: corruption in bidding contractor services (RFP) and bribery.	I/D/NJ/C
CGJ11/12-36	Complaint about identity theft, stolen car. Complainant reported to Paramount Sheriff Dept.	D/NJ/C
CGJ11/12-37	False Police report of a "burglary in progress": case pending, Long Beach Police Dept.	D/NJ/C
CGJ11/12-38	Complaint of unprofessional conduct by L.A. City Official in District 1.	D/NJ/C

<u>Case No.</u>	<u>Complaints and Comments</u>	<u>Action:</u> C = Closed, D = Declined, I = Investigated, J = Jurisdiction, NJ = Non-Jurisdiction, S = Speaker, V = Visit
CGJ11/12-39	Member of the Board of Trustees of the Pasadena Unified School District in violation of the Brown Act.	I/D/NJ/C
CGJ11/12-40	Complaint about LASD helicopter attacks on complainant.	D/NJ/C
CGJ11/12-41	Corruption within City of Glendale, Glendale Water & Power, ADI (Advance Development & Investment Inc.)	I/D/NJ/C
CGJ11/12-42	Complaint about a traffic accident mishandled by LAPD.	D/NJ/C
CGJ11-12/43	Complaint about RICO activities, harassment: case pending in Courts.	D/NJ/C
CGJ11-12/44	Complaint about denial of retirement disability by LACERA.	D/NJ/C
CGJ11/12-45	Complainant's civil rights were violated by LASD.	D/NJ/C
CGJ11/12-46	Complaint that religious rights under Constitutional have been violated since 1992.	D/NJ/C
CGJ11/12-47	Complaint about L.A. Housing Dept. Manager taking bribes: case pending in Court.	D/NJ/C
CGJ11/12-48	Complaint by Occupy L.A. protestors that 1st Amendment Rights were violated: case pending in Superior Court.	D/NJ/C
CGJ11/12-49	Complainant was assaulted by two suspects: case pending.	D/NJ/C
CGJ11/12-50	Castaic Lake Water Agency CLWA - designed & rebuilt a new recycled water plant & pipelines serving only one customer (private golf course) and continue to prorate the capital expense to the existing water users. CLWA subsidizes the cost of recycled water, making it less expensive than actual costs.	I/S/V/D/NJ/C - see Castaic Lake Water Agency report
CGJ11/12-51	Fraud, forgery, negligence by two persons, an Elder Caregiver and IHSS Payrollee (El Monte office - State of California), in a wrongful death.	D/NJ/C
CGJ11/12-52	Complainant blames California health systems for March 7, 2002, and reoccurring attempts on his life.	D/NJ/C
CGJ11/12-53	Complaint against LASD, LAFD, Health Dept., District Attorney for robotic implants by LAC employees since 1970's. Violation of Constitutional Rights.	D/NJ/C
CGJ11/12-54	Complaint about corruption, homicide in Northern California.	D/NJ/C

<u>Case No.</u>	<u>Complaints and Comments</u>	<b>Action:</b> C = Closed, D = Declined, I = Investigated, J = Jurisdiction, NJ = Non-Jurisdiction, S = Speaker, V = Visit
CGJ11/12-55	Complaint by Vanguardians (a Public Advocacy for Accountable Government) against City of Glendale of Water and Power (GWP) for misappropriating two GWP bond issues for other projects. The bond funds were used for installation of water & electric smart meters to replace functioning analog utility meters.	I/D/NJ/C
CGJ11/12-56	Complaint against the City of Carson for illegal contract bidding, RFP process: case pending in Los Angeles Superior Court.	D/NJ/C
CGJ11/12-57	Complaint about false evidence that resulted in 1st degree murder verdict: case pending in Van Nuys Superior Court, & L.A. Police Commission.	D/NJ/C
CGJ11/12-58	Complaint about voter fraud by electronic voting AccuVote-TSx machines (made by Diebold). Request to count the electronic vote using paper copies.	D/NJ/C
CGJ11/12-59	25 cases pending in various Courts in and out of state. Anti-Trust, Temporary Restraining Order/Preliminary Injunction. 470 Racketeer Influenced & Corrupt Organizations. Personal Property 370 Other Fraud. U.S. Govt.	D/NJ/C
CGJ11/12-60	Complaint against attorneys: worker's compensation case in a Medi-Cal Health Plan. Case pending.	D/NJ/C
CGJ11/12-61	Complaint involving denial of Medi-Cal dental claim. Dental portion of Medi-Cal does not cover services to adults.	D/NJ/C

# CONTINUITY COMMITTEE



## COMMITTEE MEMBERS

**Bob Cremer – Co-Chair**  
**William Frank Guzman – Co- Chair**  
**Thomas Joyner**  
**Anita L. Wong**



# CONTINUITY COMMITTEE

## INTRODUCTION

The Continuity Committee (CC) serves as a bridge connecting the work of previous Los Angeles County Civil Grand Juries to the current Civil Grand Jury (CGJ) and to the future CGJ. The CC was essential since it maintained the record-keeping of recommendations made by the previous years' CGJ and provided actions taken by responding agencies to those recommendations. California Penal Code (CPC) §933.05 mandates that each CGJ collect and record the investigation responses from the affected public agencies. Responsibility for maintenance of these findings and responses lies with the CC. In addition to the above mandate, the CC is responsible to follow-up and to ensure that public agencies fulfill their obligations under CPC §933(c) to respond in a timely manner to findings and recommendations made in the prior CGJ Reports. The CC organized and disseminated information from prior years' CGJs to the current CGJ to facilitate its newly investigative and reporting responsibilities.

## BACKGROUND

Historically, the previous CGJ Reports, findings, responses, and files were frequently discarded, deleted or lost. In recent years, improvement in the sharing of information between successive CGJs has occurred. However, information sharing can and should be strengthened through practices introduced and overseen by the CC.

## METHODOLOGY

To fulfill its responsibilities as outlined in the Introduction, the 2011-2012 CGJ Continuity Committee performed the following activities:

- Reorganized the CGJ library system
- Reviewed all responses to recommendations made in the 2010-2011 CGJ Final Report and identified initial non-respondents for subsequent follow-up reminder letters
- Filed all responses to 2010-2011 CGJ recommendations
- Sent follow-up letters to non-responding governmental entities investigated by the 2010-2011 CGJ
- Updated a detailed and comprehensive tracking table to aid in the follow-up responses due or actually made to the 2010-2011 CGJ report
- Summarized all tracking results as shown in the table following this report
- Listed findings and recommendations for this CGJ Report, so that copies would be sent by the following CC in a timely manner, as required by CPC §933.05(f). A copy of this tracking table has been left for the 2012-2013 CC for its use in tracking agencies' responses to the 2011-2012 Report
- Expanded and corrected an existing directory of all CGJ Reports from the preceding five years, including the departments, cities, and other governmental entities directly involved

- Cataloged, organized, and updated other resource documents for easy research access
- Revised and updated the Continuity Committee Manual notebooks and resources
- Archived appropriate documents as needed

The tracking table at the end of this report contains responses from the public agencies investigated by the 2010-2011 CGJ.

## **RECOMMENDATIONS**

The following practices should be undertaken and enhanced where feasible by each succeeding CC:

1. Build and maintain a library containing at least five prior years' CGJ Reports, reference books, current directories of Los Angeles County, its municipalities, and special districts as well as information for each CGJ standing committee.
2. Update the CC hard copy files containing responses to previous years' CGJ Reports.
3. Maintain the computer-based tracking system for transferring electronic files to succeeding CGJs.
4. Continue the practice of updating the website containing electronic copies of CGJ reports and responses from County departments, agencies, and other governmental entities.

## **CONCLUSION**

The function of the Continuity Committee is primarily archival and organizational, maintaining legally-mandated records and passing on to each succeeding CGJ an orderly library and filing system of investigated agencies. The CC found that it was able to make productive use of some of the information left behind by previous CGJ. However, rather than directly following the previously established tracking system, the revised tabular format included here was created for the recording of responses from public agencies that more closely matches the actual language expressed in CPC §933.05.

	Report Title	Page	Agency	Recommendations	Responses					
					Agree	Disagree	Implemented	Will Implement	No response	Will not Implement
1	Post Adoptions Services - Where are you?	5	DCFS	1a	✓		✓			
2				1b	✓		✓			
3				1c	✓		✓			
4				1d	✓		✓			
5		6		2		✓				
6				3	✓		✓			
7				4	✓		✓			
8	A Whistleblower's Complaint	15	City of Long Beach	1	✓					
9				2	✓					
10				3	✓					
11				4		✓			✓	
12	E-Subpoena - One Way to End the Paper Chase	27	Alhambra PD	1	✓			✓		
13			Bell PD	1	✓			✓		
14			Bell Gardens PD	1	✓			✓		
15			Beverly Hills PD	1	✓			✓		
16			Burbank PD	1	✓		✓			
17		28	Covina PD	1	✓		✓			
18			Gardena PD	1	✓			✓		
19			Glendale PD	1	✓					
20			Glendora PD	1	✓			✓		
21			Huntington Park PD	1	✓			✓		
22			LAFD	1	✓				✓	
23			LAUSD PD	1	✓			✓		
24			Manhattan Beach PD	1	✓			✓		
25			Monrovia PD	1	✓				✓	
26	Monterey Park PD	1	✓			✓				

	Report Title	Page	Agency	Recommendations	Responses						
					Agree	Disagree	Implemented	Will Implement	No response	Will not Implement	
27	E-Subpoena - One Way to End the Paper Chase	28	Pasadena PD	1	✓						
28			Redondo Beach PD	1	✓			✓			
29			San Fernando PD	1	✓			✓			
30			San Gabriel PD	1	✓			✓			
31			South Pasadena PD	1	✓			✓			
32			Torrance PD	1	✓			✓			
33			West Covina PD	1	✓			✓			
34			Whittier PD	1		✓					✓
35			Inglewood City Atty	2	✓			✓			
36			LAPD	3	✓		✓				
37			LASD	3	✓		✓				
38				4	✓		✓				
39			DA	5	✓		✓				
40	High Tech Forensics and Cyber Security Crime Fighting in the Digital Age	43-44	DA	1a	✓			✓			
41				1b	✓			✓			
42				1c	✓			✓			
43				1d	✓			✓			
44				1e	✓			✓			
45			Arcadia PD	2a	✓			✓			
46				2b	✓			✓			
47				2c	✓			✓			
48				2d	✓			✓			
49			Beverly Hills PD	2a	✓			✓			
50				2b	✓			✓			
51				2c	✓			✓			
52				2d	✓			✓			

	Report Title	Page	Agency	Recommendations	Responses					
					Agree	Disagree	Implemented	Will Implement	No response	Will not Implement
53	High Tech Forensics and Cyber Security Crime Fighting in the Digital Age	43-44	LAPD	2a	✓			✓		
54				2b	✓			✓		
55				2c	✓			✓		
56				2d		✓				
57			Culver City PD	2a	✓			✓		
58				2b	✓			✓		
59				2c	✓			✓		
60				2d	✓			✓		
61			Downey PD	2a	✓					
62				2b	✓					
63				2c	✓					
64				2d	✓					
65			Glendale PD	2a	✓					
66				2b	✓					
67				2c	✓					
68				2d	✓					
69			LASD	2a	✓				✓	
70				2b	✓				✓	
71				2c	✓				✓	
72				2d	✓				✓	
73			Santa Monica PD	2a	✓				✓	
74				2b	✓				✓	
75				2c	✓				✓	
76				2d	✓				✓	
77			Monrovia PD	2a	✓				✓	
78				2b	✓				✓	
79				2c	✓				✓	
80				2d	✓				✓	
81			Redondo Beach PD	2a	✓				✓	
82				2b	✓				✓	
83				2c	✓				✓	
84				2d	✓				✓	

	Report Title	Page	Agency	Recommendations	Responses					
					Agree	Disagree	Implemented	Will Implement	No response	Will not Implement
85	High Tech Forensics and Cyber Security Crime Fighting in the Digital Age	43-44	Torrance PD	2a	✓		✓			
86				2b	✓		✓			
87				2c	✓		✓			
88				2d		✓				
89		44	Whittier PD	2a	✓			✓		
90				2b	✓			✓		
91				2c	✓			✓		
92				2d	✓			✓		
93		44	LAC CIO	3a	✓			✓		
94				3b	✓			✓		
95			Auditor / Controller	3a	✓			✓		
96				3b	✓			✓		
97		44	BOS	4		✓				
98				5	✓					
99	Education Based Incarceration - Hope for Tomorrow	55	LASD	1	✓			✓		
100		56		2	✓			✓		
101				3	✓			✓		
102				4	✓			✓		
103				5	✓			✓		
104				6	✓			✓		
105	Uncollected Medical Bills in the County's Three Major Medical Facilities: Free County Healthcare - Easier Than You Think!		69	LAC DHS	1	✓				
106		2				✓				
107		3			✓				✓	
108		4			✓				✓	
109		5			✓				✓	
110		6			✓				✓	
111		7			✓				✓	
112		8			✓				✓	
113		9				✓				
114		10				✓				

	Report Title	Page	Agency	Recommendations	Responses					
					Agree	Disagree	Implemented	Will Implement	No response	Will not Implement
115	City of Los Angeles Dept. of Water & Power - Who's Really in the Dark?	92	LADWP	1					✓	
116				2					✓	
117				93	3					✓
118		4							✓	
119		94		5					✓	
120		96		6					✓	
121		105		7					✓	
122				8					✓	
123		111		9a					✓	
124				9b					✓	
125				9c					✓	
126				9d					✓	
127				116	10					✓
128		117		11					✓	
129	123	12					✓			
130	124	13					✓			
131	Sub-Acute Health Facilities - Is the Fox Inspecting the Henhouse?	137	LAC DPH	1	✓		✓			
132				2	✓		✓			
133				3	✓		✓			
134				4	✓		✓			
135				5	✓		✓			
136				6a	✓		✓			
137				6b	✓		✓			
138				6c	✓		✓			
139	The Six Pods of Module 172: The Most Dangerous Cells in the County - Whaddya' Mean, No Cameras?	146	LASD	1	✓		✓			
140				2	✓		✓			

	Report Title	Page	Agency	Recommendations	Responses						
					Agree	Disagree	Implemented	Will Implement	No response	Will not Implement	
141	Port of Los Angeles	169	BOHC	1a	✓						
142				1b	✓						
143				1c	✓						
144				1d	✓						
145				1e	✓						
146		170		1f	✓						
147				1g	✓						
148				1h	✓						
149		171		1i	✓						
150				1j	✓						
151				1k	✓						
152				2		✓					
153				3	✓						
154	Preferential Parking (Permit Street Parking)	177	DOT	1	✓			✓			
155				2	✓			✓			
156	Transition Age Youth (TAY) Journey	198	DCFS & LAC Probation	1	✓			✓			
157				2	✓			✓			
158				3	✓			✓			
159				4	✓			✓			
160				5	✓			✓			
161				6	✓			✓			
162				7	✓			✓			
163				8	✓			✓			
164				9	✓			✓			
165				10	✓			✓			
166	Whoa! The State of Public Pensions in Los Angeles County	250	BOS	1a	✓				✓		
167				1b	✓				✓		
168				2	✓				✓		
169				3	✓				✓		

	Report Title	Page	Agency	Recommendations	Responses						
					Agree	Disagree	Implemented	Will Implement	No response	Will not Implement	
170	Whoa! The State of Public Pensions in Los Angeles County	251	BOS	4	✓						✓
171				5	✓						✓
172				6	✓						
173		251	LACERA	7		✓					
174		264	DWP	1	✓						
175				2	✓						
176				3	✓						
177				4	✓						
178			LACERS	2	✓			✓			
179				3	✓			✓			
180				4	✓			✓			
181			Los Angeles City Council	2		✓					
182				3		✓					
183				4		✓					
184		273	City of Pasadena	1	✓			✓			
185				2	✓			✓			
186				3	✓			✓			
187		283	City of Monterey Park	1	✓			✓			
188				2	✓			✓			
189		291	City of Hermosa Beach	1	✓						
190	2			✓							
191	Jails Committee	334	LASD	1a	✓			✓			
192				1b	✓			✓			
193				2a	✓			✓			
194				2b	✓			✓			
195		335	LAPD	3a	✓					✓	
196				3b	✓					✓	

**ACRONYMS**

<b>BOHC</b>	Board of Harbor Commissioners
<b>BOS</b>	Board of Supervisors
<b>CC</b>	Continuity Committee
<b>CGJ</b>	Los Angeles County Civil Grand Jury
<b>CPC</b>	California Penal Code
<b>DA</b>	District Attorney
<b>DCFS</b>	Department of Children and Family Services
<b>DOT</b>	Department of Transportation
<b>LAC CIO</b>	Los Angeles County Chief Information Officer
<b>LAC DHS</b>	Los Angeles County Department of Health Services
<b>LAC DPH</b>	Los Angeles County Department of Public Health
<b>LACERA</b>	Los Angeles County Employees Retirement Association
<b>LACERS</b>	Los Angeles City Retirement System
<b>LADWP</b>	Los Angeles Department of Water and Power
<b>LAFD</b>	Los Angeles Fire Department
<b>LAPD</b>	Los Angeles Police Department
<b>LASD</b>	Los Angeles Sheriff's Department
<b>LAUSD PD</b>	Los Angeles Unified School District Police Department
<b>PD</b>	Police Department

# DETENTION COMMITTEE



## COMMITTEE MEMBERS

**Bill Bertrand – Chair**

**Gregory Steve Alvarado  
Delora Brown  
Sharon S. Burgess  
Elizabeth B. Calvert  
Eunice Carr  
Bob Cremer  
Leah V. Granof**

**William F. Guzman  
Magdalene Y. Ho  
Diana S. Lee  
Bobbi Miller  
Karen Stracka  
Jon W. Valliere, Sr.  
Anita L. Wong**



# DETENTION COMMITTEE

## INTRODUCTION

California Penal Code §919(b) charges the Civil Grand Jury (CGJ) with the duty of inquiring into the conditions and management of the public detention facilities within its designated County. The 2011-2012 CGJ focused on the Los Angeles County detention facilities that were not inspected by the 2010-2011 CGJ. Also inspected were those detention facilities that were noted in previous CGJ reports as unsatisfactory in some significant manner, as well as those facilities that were found to be excellent in 2010-2011.

## BACKGROUND

A federal mandate which affected the funding of state prisons required that California reduce the state prison inmate population. To do this, the state legislature passed AB 109/117. These laws went into effect on October 1, 2011. The laws provided for the release of “non-sexual, non-violent and non-serious” (NNN) prisoners who had served their sentenced time, or a portion of it, to county probation oversight rather than to parole. Also persons sentenced for three years or less after October 1, 2011, who were designated NNN, were to be incarcerated in county detention facilities instead of state prisons. This policy shift was termed “Realignment”. Realignment is expected to significantly alter the Los Angeles County detention system affecting conditions and management of the system because of the expected increase in the local detention population. For more information about Realignment refer to the 2011–2012 CGJ’s Report on Probation.

## METHODOLOGY

From a total of 126 county adult detention facilities, the 2011-2012 CGJ selected 80 (63%) of those facilities for inspection. This report reflects only those jails and facilities visited or inspected by the CGJ.

The inspections focused on administrative processes and guidelines, emergency response procedures, conditions of the facility, and the quality of inmate living conditions. These inspections were conducted using the guidelines and standards required and applicable to Los Angeles County as set forth in Titles 15 and 24 of the California Administrative Code and prepared by the California Board of Corrections.

Of the 23 operating juvenile detention facilities, the CGJ evaluated 16 (69%). Refer to the Adult and Juvenile Detention Facilities Inspection Report (DFIR) and Final Consensus (FC) forms located in the appendix for individual locations visited and their key findings.

## FINDINGS

1. Of the 80 adult detention facilities visited, the following 20 (25%) were found to be exceptional, based on combinations of physical facilities, maintenance, inmate treatment, staff knowledge and background, and/or expressed commitment:

- Arcadia Police Department
- Crescenta Valley Station, LASD\*
- Downey Police Department
- Glendale Police Department
- Hawthorne Police Department
- Hermosa Beach Police Department
- Huntington Park Police Department
- Lost Hills (Malibu) Station, LASD
- Manhattan Beach Police Department
- Metropolitan Detention Center (MDC)
- Michael D. Antonovich Antelope Valley Courthouse
- Montebello Police Department
- Monterey Park Police Department
- Palmdale Station, LASD\*
- Pasadena Police Department
- Pitchess Detention Center, South LASD
- South Los Angeles Station, LASD\*
- Topanga Police Department
- West Valley (Reseda), LAPD
- Whittier Police Department

\* Indicates the three stations that recently received an award from the Altus Global Alliance, an international organization that promotes public safety and justice.

2. The following detention facilities were found to have programs worthy of commendation and comment:

- **Glendale Police Department (A39)<sup>1</sup>**  
This facility was highlighted in the CGJ 2009-10 Report, titled “Video-Conference Technology”. The video-arraignment procedure provided in The Glendale Police Department Station continues to be exemplary in 2011-2012. This arraignment process could be a model for LA County law enforcement agencies. The staff was willing and able to share information and expertise with other detention facilities.

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<sup>1</sup> See Appendix A for identification codes.

- **Hawthorne Police Station (A42)**  
The CGJ found the insight provided by one of the jailers especially valuable. That jailer, with many years of experience, applied his experience and wisdom as a valuable guide in the planning and general design of the configuration of the new Hawthorne Detention Facility.
- **Lost Hills Sheriff's Station (A59)**  
The Lost Hills Sheriff's Station is located in a high fire risk area. Presently, if there were a large fire and horses needed to be evacuated, they would be transported to an equestrian facility at Pierce College in Woodland Hills for temporary protective housing. To extend the protection of animals, the Lost Hills Sheriff's Station is currently building a kennel to house canines and felines should evacuation be necessary for fire protection during future emergencies.
- **Metropolitan Detention Center (A68)**  
The Metropolitan Detention Center (MDC) is a new, state-of-the-art facility which opened in February 2011. It has modern equipment including electronic controls, an Automated External Defibrillator (AED) in most areas, and Policies and Procedures online. It also has 24 hour medical services on site. The facility is well run and well maintained.
- **Palmdale Station (A81)**  
Palmdale Station is an exceptionally well run and maintained station located in a modern facility built in 2006. The entire operation of the facility and discipline reflected in its operation reflect the "Ethics Based" program initiated by the Los Angeles Sheriff's Department.

By all accounts and observable measures the program is excellent. This station is unique in its cooperation and proximity of location to other public service facilities. Palmdale General Hospital and Antelope Valley Hospital are both nearby. In addition, a fire station and an armory are closely positioned and would be used in the event of a major emergency.

The station has received an international award for its exemplary and efficient "line-of-sight" design. Additionally and of particular note, three Los Angeles County Sheriff's Department facilities earned international awards for its achievements as a "Citizen-Centric Organization". To achieve that status, five core aspects of a police station and related services provided were scored. Those areas are community orientation, physical conditions, equal treatment of the public, transparency and accountability, and detention conditions.

Palmdale Station was given the top award for its achievements. The award conference was hosted by the Altus Global Alliance, a group of six academic centers and non-governmental organizations on five continents which worked in partnership with government institutions to strengthen the delivery of public safety and justice.

The Los Angeles County Sheriff's Department's Palmdale Station, its personnel, and the Los Angeles County Sheriff's Department deserve particular recognition from the CGJ for achieving this highest of honors from a recognized independent international organization.

- **Pitchess Detention Center - South (A89)**

The CGJ found the Pitchess Detention Center continues to be a blueprint for success. The date of the CGJ site inspection coincided with the sixth graduation ceremony at the detention center. The graduation theme, "Best Foot Forward," centered on an on-going LASD program known as "Maximizing Education Reaching Individual Transformation" (MERIT) program. It was found to be an exceptional program which provides hope, inspiration and guidance to soon-to-be-released inmates.

The CGJ interfaced with a number of the inmates participating in the ceremony. Several inmates told the CGJ what the program meant to them. For instance, one inmate said he now has a sense of purpose, a new hope, and a commitment to changing his life. Other inmates expressed similar responses to the CGJ. The CGJ noted the great sense of camaraderie and spirit of the speakers expressed at the graduation. An all-inmate band called "The Contra Band" played inspirational songs, and provided "musical bookends" to the graduation ceremony.

- **Whittier Police Department (A125)**

The Whittier Police Department (WPD) is a new, state-of-the-art police headquarters which opened October 26, 2010. There are a number of social services supporting agencies housed in the building.

A "soft room" provides personal security and comfort for traumatized crime victims. A children's play room is filled with toys and children's furniture. A Crime Analysis Unit, Crime Scene Investigation, and a Forensic Bureau are also located on the site. This collection of agencies provides technical support: evidence collecting, video taping, photography, development and comparison of fingerprints, and crime scene diagram construction.

The WPD is one of nine police agencies in Los Angeles County designated as a Latent Input Terminal for the Los Angeles County Region Identification System where fingerprint comparison is done by forensic specialists. Testimony often relies upon this level of forensic evidence.

3. Of the 16 Juvenile facilities CGJ visited, three (19%) were found to be exceptional based on educational programs, physical facilities, maintenance, inmate treatment, staff knowledge and background, and/or expressed commitment:
  - Gonzales Youth Camp (Y18)<sup>2</sup>
  - Scott Girls Camp (Y27)
  - Scudder Girls Camp (Y28)
4. Several detention facilities were found to have specific areas of concern:

**Los Angeles Sheriff's Department:**

- **Alhambra Courthouse (A2)** has an open area where detainees are brought into the court on the 2<sup>nd</sup> floor. There are no secure holding cells where the detainees wait for court hearings on the 2<sup>nd</sup> floor, causing a potential risk to sheriffs or civilians.
- **Avalon Station (A7)** is an older station with some open wires hanging down in line of sight. The workstations are outdated. There is no video for surveillance of the station. The sobriety cell does not have a soft floor.
- **Central Regional Detention Facility (A20)** is a large facility where staff needs to be added as there are no funds for overtime. If someone is ill there are no funds for a replacement deputy for that period of time.
- **East Los Angeles Station (A32)** is a busy station with a sobering cell that needs a standard non-porous floor. The current flooring causes an unpleasant odor that permeates the area. The deputies in the jail use the same telephone line as the main station. The phone line is frequently busy, so they have difficulty communicating with officers in cars transporting new detainees to the jail.
- **Glendale Courthouse (A38)** shares a parking lot for the delivery and return of inmates with a nearby public business facility, creating a potential safety risk to the public. The transportation of inmates typically occurs at the business facility's most busy time. Furthermore, it can occur at dusk in the winter when visibility is obstructed. The barbed wire sally port is non-standard and contributes to a potential risk issue.
- **Industry Station (A47)** The visitation booth is inoperable and needs repair.
- **Men's Central Jail (A65)** needs more safety bars in the shower area. There is a need for increased staffing for additional security.
- **Mental Health Courthouse (A66)** is located in an old manufacturing building that has been modified for use as a court. Mentally ill patients await court hearings in an open patio area adjacent to the general population.
- **Metropolitan Traffic Courthouse (A67)** lacks cameras and viewing monitors for security. The toilet facilities are porcelain and could be a safety issue.
- **Pitchess Detention Center - East Facility (A87)** is a jail housing a large number of high-risk detainees. More supervision is necessary for the security of the station.

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<sup>2</sup> See Appendix B for identification codes.

- **Pitchess Detention Center - South Facility (A89)** is a jail housing a large number of high-risk detainees. More supervision is necessary for the security of the station. The facility lacks video monitoring in the barracks and dining room.
- **Pitchess North - County Correctional Facility (A90)** is a jail housing a large number of high-risk detainees. More supervision is necessary for the security of the station.
- **Santa Clarita Valley Station (A 101)** handles a large number of inmates and is understaffed with only one jailer. The jailer must take care of booking, and in addition, jail maintenance. The jail was so dirty it had to be closed for a day in order to be commercially cleaned. The jail lacked a sally port, video surveillance equipment, and a soft floor in the sobering cell.
- **Van Nuys (West) Court (A115)** had only a digital copy of Policies and Procedures. They had no hard copy for easy reference.

#### **Los Angeles Police Department:**

- **Central Area Police Station (A18)** is located in a large facility where arrestees are cuffed to benches while officers write reports prior to booking at MDC. There is only a small monitor for the Watch Commander's use. In addition, the arrestees have no designated restroom facilities, therefore public restrooms are used.
- **Northeast (LA/Eagle Rock) Station (A76)** typically holds arrestees in cells for only a few hours before sending them to MDC. CGJ observed an arrestee requesting use of a restroom. Because there was no toilet in the jail cells, the officer escorted the inmate to a restroom. As the arresting officer entered the cell, CGJ noticed that his weapon was holstered because there were no gun lockers located outside the jail cell area.
- **Van Nuys Division Police Station (A116)** had no sally port for transporting detainees. This causes a security issue.

#### **Alhambra Police Department**

- **Alhambra Police Station (A3)** There is no secure area in the booking area between the staff and detainees.

#### **Arcadia Police Department**

- **Arcadia Police Station (A6)** has a sobering cell with a partial wall. Detainees are able to climb on the wall and break the sprinklers causing a slipping or flooding hazard.

#### **Bell Gardens Police Department**

- **Bell Gardens Police Station (A10)** is located in an older building. The sobering cells have no soft padding, causing a hazard for the detainees.

## Los Angeles County Probation Department

- **Challenger (Y12-14), Mendenhall (Y21), Munz (Y23), Scott (Y27), and Scudder (Y28) Camps.** These juvenile detention facilities are located in outlying areas and must frequently transport youth great distances for medical services to the Los Angeles County + USC Hospital. This causes a burden on the staffing at the juvenile facilities, and delays the treatment of the youth.

### 5. A large number of detention facilities share areas of concern: <sup>3</sup>

- Many detention facilities were built at least 40 years ago. Most are functioning well despite needing major physical updates as some are in seriously compromised condition.
- A number of detention facilities have limited video equipment for surveillance of the inmates for supervision.
- Several of the jails need to upgrade or better maintain sobering cells' soft flooring for the safety and security of inebriated detainees.
- Some of the facilities lack Automated External Defibrillators and the staff is often not trained in the use of the equipment.
- Approximately 16% inmates housed at Los Angeles County detention facilities have mental health issues which require additional services. (See 2011-2012 CGJ Medications for Inmates report.) Specialized and ongoing training is important for the security of the facilities.
- Some safety gear, such as flashlights, hard hats, and other equipment used in earthquake or fire drills, is placed in obscure, unmarked locations in the facilities.
- Some detention facilities are under-staffed, based on CGJ's observations.

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<sup>3</sup> Appendix A identifies specific facilities.

## RECOMMENDATIONS

The following recommendations are made for the facilities with identified needs:

### Los Angeles County Sheriff's Department

- 1. Alhambra Courthouse (A2)**
  - Provide secure holding cell for detainees awaiting court procedures on the 2<sup>nd</sup> floor.
- 2. Avalon Station (A7)**
  - Repair electrical wiring in the station.
  - Improve ergonomics in workstations.
  - Provide video surveillance in station.
  - Provide soft floor in sobering cell.
- 3. Central Regional Detention Facility (A20)**
  - Increase staffing ratios to allow for overtime if necessary.
- 4. East Los Angeles Station (A32)**
  - Provide standard soft flooring in sobering cell.
  - Provide jail with a dedicated telephone line.
- 5. Glendale Courthouse (A38)**
  - Arrange transportation so public does not share open area with inmates waiting for transportation.
  - Address sally port for public and personnel safety.
- 6. Industry Station (A47)**
  - Repair visitation booth.
- 7. Men's Central Jail (A65)**
  - Improve and increase number of grab bars in shower area.
  - Increase staffing ratios to allow for overtime if necessary.
- 8. Mental Health Courthouse (A66)**
  - Remodel the facility as possible.
- 9. Metropolitan Traffic Courthouse (A66)**
  - Provide video equipment for security.
  - Update toilets.
- 10. Pitchess Detention Center – East Facility (A87)**
  - Increase staffing for security.

**11. Pitchess Detention Center - South Facilities (A89)**

- Increase staffing for security.
- Provide video surveillance in the barracks and dining rooms in the South facility.

**12. Pitchess Detention North-County Correctional Facility (A90)**

- Increase staffing for security.

**13. Santa Clarita Valley Station (A101)**

- Provide soft flooring for sobering cells.
- Provide video equipment to monitor cells.
- Construct a sally port.
- Address staffing issues.

**14. Van Nuys (West) Court (A115)**

- Provide a printed copy of Policies and Procedures for staff use.

**Los Angeles Police Department****15. Central Area Police Station (A18)**

- Provide designated toilet facilities for arrestees, or provide and post a protocol for use of the public rest room for arrestees.
- Update video monitor for security.

**16. Northeast (LA Eagle Rock) Station (A76)**

- Provide gun lockers for safety of officers entering detention cells.
- Provide toilet facilities for arrestees, or provide and post a protocol for use of the public restroom for arrestees.

**17. Van Nuys Division Police Station (A116)**

- Provide sally port.

**Alhambra Police Department****18. Alhambra Police Station (A3)**

- Provide a secure area for booking process in the station.

**Arcadia Police Department****19. Arcadia Police Station (A6)**

- Address the construction of the partial wall in the sobering cell.

**Bell Gardens Police Department****20. Bell Gardens Police Station (A10)**

- Provide soft flooring in sobering cells.

**Los Angeles County Probation Department**

**21. Juvenile Detention Facilities: Challenger (Y12-14), Mendenhall (Y21), Munz (Y23), Scott (Y27) and Scudder (Y28)**

- Negotiate and provide contracts with a local medical hospital or an appropriate facility for medical services.

**REQUIRED RESPONSES**

<b>Recommendations</b>	<b>Responding Agencies</b>
1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14	Los Angeles County Sheriff's Department
15, 16, 17	Los Angeles Police Department
18	Alhambra Police Department
19	Arcadia Police Department
20	Bell Gardens Police Department
21	Los Angeles County Probation

**APPENDICES**

Appendix A	Adult Detention Facilities
Appendix B	Juvenile Detention Facilities
Appendix C	Definitions of Detention Terms
Appendix D	Detention Facilities Inspection Report
Appendix E	Final Consensus
Appendix F	Large Jail Facilities Inspection Report

**ACRONYMS**

<b>AED</b>	Automated External Defibrillator
<b>CGJ</b>	Civil Grand Jury
<b>CRDF</b>	Century Regional Detention Facility
<b>DFIR</b>	Detention Facilities Inspection Report
<b>FCR</b>	Final Consensus Report
<b>LAPD</b>	Los Angeles Police Department
<b>LASD</b>	Los Angeles Sheriff's Department
<b>MDC</b>	Metropolitan Detention Center
<b>NNN</b>	"non-sexual, non-violent and non-serious"
<b>PD</b>	Police Department
<b>WPD</b>	Whittier Police Department

**APPENDIX A - ADULT DETENTION FACILITIES**

Reference	Facility	Compliant	Compliant – see Recommendations	Non-Compliant – see Recommendations	Comments	Capacity	Managed	Address	Telephone
A1	77th Street Division (Regional Hdq.) PD	X			Large facility. It has cells for juveniles. A physician available for minor treatments. Emergency services fully compliant.	178	LAPD	7600 South Broadway Los Angeles, CA 90003	(213) 473-4851
A2	Alhambra Courthouse		X		Very clean and well-run older facility. Holding cells needed for security of intake area on 2nd floor.	117	LASD	150 W. Commonwealth Ave. Alhambra, CA 91801	(626) 308-5521
A3	Alhambra PD		X		Well-run older facility. Contract jailers. Booking area could use increased security.	48	PD	211 South 1st St. Alhambra, CA 91801	(626) 570-5151
A4	Altadena Station		NA		No jail.		LASD	780 E. Altadena Dr. Altadena, CA 91001	(626) 798-1131
A5	Antelope Valley Court (North District)	X			An excellent well run, very busy new facility. (Michael D. Antonovich Courthouse)	565	LASD	42011 4th St. West Lancaster, CA 91731	(661) 974-7200
A6	Arcadia PD		X		Well run facility. Half wall in sobering cells needs to be addressed.	18	PD	250 W. Huntington Dr. Arcadia, CA 91723	(626) 574-5150
A7	Avalon Station		X		Well run old facility. Supports adjacent court that meets once per week. Improve ergonomics in work areas; install video for surveillance; repair wires; sobering cell needs soft floor. The station has a patrol boat to surveil the harbor.	9	LASD	215 Summer Ave. Avalon, CA 90704	(310) 510-0174
A8	Azusa PD	X			Very good facility. Very well managed. Out-sourced jailers	29	PD	725 N. Alameda Ave. Azusa, CA 91702	(626) 812-3200
A9	Baldwin Park PD	X			Good facility in an older building. Has "pay-to-stay" option.	32	PD	14403 E. Pacific Ave. Baldwin Park, CA 91706	(626) 960-4011

Reference	Facility	Compliant	Compliant – see Recommendations	Non-Compliant – see Recommendations	Comments	Capacity	Managed	Address	Telephone
A10	Bell Gardens PD		X		Well run facility with contract jailers 24/7, very clean restroom & jail cells. The jail is old (built in 1973) and could be upgraded in several areas. Sobering cells need upgrade.	14	PD	7100 Garfield Ave. Bell Gardens, CA 90201	(562) 806-7600
A11	Bell PD				Not visited.		PD	6326 Pine Ave. Bell, CA 90201	(323) 585-1245
A12	Bellflower Courthouse				Not visited.		LASD	10025 Flower St. Bellflower, CA 90706	(562) 804-8025
A13	Beverly Hills PD				Not visited.		PD	464 N. Rexford Dr. Beverly Hills, CA 90210	(310) 285-2100
A14	Beverly Hills Courthouse				Not visited.		LASD	9355 Burton Way Beverly Hills, CA 90210	(310) 288-1308
A15	Burbank PD		NA		Under renovation. To be opened in 2012.	70	PD	200 N. Third St. Burbank, CA 91502	(818) 238-3217
A16	Burbank Courthouse (N. Central District)	X			Clean. Adequate staffing and communication procedures.	99	LASD	300 Olive Ave. Burbank, CA 91502	(818) 577-3482
A17	Carson Station				Not visited.		LASD	21356 S. Avalon Blvd. Carson, CA 90745	(310) 830-1123
A18	Central Area PD			X	Needs updated video cameras and monitor for security. No separate toilet facilities for arrestees. An older building.	22	LAPD	251 E. 6th St. Los Angeles, CA 90014	(213) 485-6588
A19	Central Arraignment Courthouse	X			Well-run, organized facility. Cells could use repainting.	150	LASD	429 Bauchet St. Los Angeles, 90012	(213) 261-0711
A20	Century Regional Detention Facility (CRDF)		X		Clean and well maintained facility in a remodeled older building. Staffed by doctors and nurses. Facility is ADA certified. Staff numbers need to be increased due to lack of overtime.	2400	LASD	11705 S. Alameda St. Lynwood, CA 90262	(323) 568-4800
A21	Cerritos Station				Not visited.		LASD	18135 Bloomfield Ave. Cerritos, CA 90703	(562) 860-0044

Reference	Facility	Compliant	Compliant – see Recommendations	Non-Compliant – see Recommendations	Comments	Capacity	Managed	Address	Telephone
A22	Claremont PD	X			In compliance. Staff well versed in policies and procedures. An older building.	12	PD	570 W. Bonita Ave. Claremont, CA 91711	(909) 399-5411
A23	Compton Courthouse (South Central District)	X			In compliance. Very crowded parking for a "high volume" operation located in an older building.	500	LASD	200 W. Compton Blvd. Compton, CA 90220	(310) 762-9100
A24	Covina PD	X			Good facility. Updated older building.	24	PD	444 N. Citrus Ave. Covina, CA 91723	(626) 858-4413
A25	Crescenta Valley Station	X			Well organized award winning facility was recently reorganized to increase security.	16	LASD	4554 N. Briggs Ave. La Crescenta, CA 91214	(818) 248-3464
A26	Criminal Courts (Clara Shortridge Foltz)		NA		Visited by Detention Committee, but not inspected.		LASD	210 W. Temple St. Los Angeles, CA 90012	(213) 974-6581
A27	Culver City PD				Not visited.		PD	4040 Duquesne Ave. Culver City, CA 90232	(310) 837-1221
A28	Devonshire PD				Not visited.		LAPD	10250 Etiwanda Ave. Northridge, CA 91325	(818) 832-0633
A29	Downey Courthouse	X			New facility.	9	LASD	7500 Imperial Hwy. Downey, CA 90242	(562) 803-7044
A30	Downey PD	X			New facility. Well run with a large number of inmates coming and going. Contracted jailers.	20	PD	10911 Brookshire Ave. Downey, CA 91502	(562) 861-0771
A31	East Los Angeles Courthouse	X			Well run facility in an older building with old paint.	170	LASD	4848 E. Civic Center Way East Los Angeles, CA 90022	(323) 780-2017
A32	East Los Angeles Station		X		Old station with old porcelain toilets. The jail needs separate telephone line to communicate with patrol cars. Sobering cells need new standard floors.	40	LASD	5019 E. Third St. East Los Angeles, CA 90022	(323) 264-4151
A33	El Monte (Rio Hondo) Courthouse	X			Needs paint and new desks in holding area. Well-run facility. Recommend AED.	100	LASD	11234 E. Valley Blvd. El Monte, CA 91731	(626) 575-4116

Reference	Facility	Compliant	Compliant – see Recommendations	Non-Compliant – see Recommendations	Comments	Capacity	Managed	Address	Telephone
A34	El Monte PD				Not visited.		PD	11333 Valley Blvd. El Monte, CA 91731	(626) 580-2110
A35	El Segundo PD				Not visited.		PD	348 Main St. El Segundo, CA 90245	(310) 524-2760
A36	Foothill (Pacoima) PD	X			Very organized facility; staff well-versed in policies and procedures.	50	LAPD	12760 Osborn St. Pacoima, CA 91331	(818) 756-8865
A37	Gardena PD		NA		Facility closed while undergoing refurbishment.	36	PD	1718 162nd St. Gardena, CA 90247	(310) 323-7911
A38	Glendale Courthouse			X	Old building with missing flooring tiles. Security issue: Barbed wire Sally port is non-standard. Transportation of detainees occurs in public parking lot.	30	LASD	600 E. Broadway Ave. Glendale, CA 91206	(818) 500-3551
A39	Glendale PD	X			A model facility. Has exemplary video arraignment. "Pay to Stay" available.	99	PD	131 N. Isabel St. Glendale, CA 91206	(818) 548-4840
A40	Glendora PD	X			Very well run facility. Utilizes local vendor for inmate food.	18	PD	150 S. Glendora Ave. Glendora, CA 91741	(626) 914-8250
A41	Harbor Area PD				Not visited.		LAPD	221 Bayview Ave. Wilmington, CA 90744	(310) 522-2042
A42	Hawthorne PD	X			Jailer involved in excellent design of the newly constructed facility.	66	PD	12501 Hawthorne Blvd. Hawthorne, CA 90250	(310) 675-4443
A43	Hermosa Beach PD	X			Excellent facility. Clean. The facility has an AED.	13	PD	540 Pier Ave. Hermosa Beach, CA 90254	(310) 318-0300
A44	Hollenbeck PD	X			New facility. Has a model child-friendly waiting room.	50	LAPD	1936 E. 1st St. Los Angeles, CA 90033	(323) 266-5964
A45	Hollywood PD				Not visited.		LAPD	1358 Wilcox Ave. Los Angeles, CA 90028	(213) 485-2510
A46	Huntington Park PD	X			Excellent very clean and refurbished, modern facility originally built in 1950.	32	PD	6542 Miles Ave. Huntington Park, CA 90255	(323) 584-6254
A47	Industry Station		X		Inoperable visitation booth. The building was constructed in the 1963. Has one jailer, but deputies available nearby.	38	LASD	150 N. Hudson Ave. City of Industry, CA 91744	(626) 330-3322

Reference	Facility	Compliant	Compliant – see Recommendations	Non-Compliant – see Recommendations	Comments	Capacity	Managed	Address	Telephone
A48	Inglewood Courthouse	X			Compliance criteria met. Short stay facility in high crime area. An older building.	88	LASD	One Regent St. Inglewood, CA. 90301	(310) 419-5132
A49	Inglewood PD				Not visited.		PD	1 Manchester Blvd. Inglewood, CA 90301	(310) 412-5200
A50	Irwindale PD		NA		Jail facility inoperative for past 10 years; arrestees booked, processed by Glendora PD.	2	PD	5050 N. Irwindale Ave. Irwindale, CA 91706	(626) 430-2244
A51	La Verne PD	X			Extensive monitoring systems in place. Very well run.	10	PD	2061 Third St. La Verne, CA 91750	(909) 596-1913
A52	LAC+USC Jail Ward				Not visited.		LASD	1200 N. State St. Los Angeles, CA 90033	(323) 409-4563
A53	Lakewood Station	X			Good facility. Housing is old but well kept and orderly facility.	44	LASD	5130 N. Clark Ave. Lakewood, CA 90712	(562) 866-9061
A54	Lancaster Station				Not visited.		LASD	501 W. Lancaster Blvd. Lancaster, CA 93534	(661) 948-8466
A55	Lennox Station		NA		Closed facility. Still stands. Relocated/replaced		LASD	4331 Lennox Blvd. Inglewood, CA 90304	(310) 671-7531
A56	Lomita Station	X			Well-run facility in a high crime area. The facility was built in 1970.	28	LASD	26123 Narbonne Ave. Lomita, CA 90717	(310) 539-1661
A57	Long Beach Courthouse	X			Old facility. New Courthouse under construction.	214	LASD	415 W. Ocean Blvd. Long Beach, CA 90802	(562) 491-6234
A58	Long Beach PD	X			Has exceptional medical facility in the old building's jail.		PD	400 W. Broadway Long Beach, CA 90802	(562) 570-7260
A59	Lost Hills (Malibu) Station	X			Clean. Very well-run. Orderly.	44	LASD	27050 Agoura Rd. Agoura, CA 91301	(818) 878-1808
A60	LAX Courthouse	X			Clean. Well-run. Staff purchases hand sanitizer and fly paper – Court will not fund these items.	150	LASD	11701 S. La Cienega Blvd. Los Angeles, CA 90045	(310) 727-6020
A61	Malibu Courthouse				Not visited.		LASD	23525 W. Civic Center Way Malibu, CA 90265	(310) 317-1331

Reference	Facility	Compliant	Compliant – see Recommendations	Non-Compliant – see Recommendations	Comments	Capacity	Managed	Address	Telephone
A62	Manhattan Beach PD	X			Modern, model facility. Shooting range available for staff training.	75	PD	420 15th St. Manhattan Beach, CA 90266	(310) 802-5140
A63	Marina Del Rey Station	X			Well-run older facility. Three patrol boats on site.	5	LASD	13851 Fiji Way Marina Del Rey, CA 90292	(310) 823-7762
A64	Maywood PD		NA		Primarily a facility for responding to calls and for booking. Booked detainees are transferred to East L.A. Station. A vintage, Arte Deco building used in a movie set.	17	PD	4319 E. Slauson Ave. Maywood, CA 90270	(323) 562-5005
A65	Men's Central Jail		X		Inspected handicapped ward. Needed more safety bars for shower area. Increase staffing for security.	5000	LASD	441 Bauchet St. Los Angeles, CA 90012	(213) 974-0103
A66	Mental Health Courthouse		X		Experienced long-term staff works with mentally ill patients. Old building (built in 1940) needs upgrades and remodeling.	54	LASD	1150 N. San Fernando Rd. Los Angeles, CA 90065	(323) 226-2944
A67	Metropolitan Traffic Courthouse		X		Facility needs cameras and viewing monitors for security. Update porcelain toilet fixtures.	120	LASD	1945 S. Hill St. Los Angeles, CA 90007	(213) 744-4101
A68	Metropolitan Detention Center	X			Excellent new facility. Very well equipped.	540	LAPD	180 N. Los Angeles St. Los Angeles, CA	(213) 356-3400
A69	Mission Hills PD				Not visited.		LAPD	11121 North Sepulveda Blvd. Mission Hills, CA 91345	(818) 838-9800
A70	Mira Loma Detention (Fed)				Not visited.		LASD	45100 N. 60th St. West Lancaster, CA 93536	(661) 949-3801
A71	Monrovia PD	X			Staff requests a Braille-deaf monitor device for communication. Very well run older facility.	14	PD	140 E. Lime Ave. Monrovia, CA 91016	(626) 256-8000
A72	Montebello PD	X			Well run older facility. Has "Pay to Stay". Red light cameras still in use to monitor traffic. Cells and restrooms very clean.	35	PD	1600 Beverly Blvd. Montebello, CA 90640	(323) 887-1313
A73	Monterey Park PD	X			Excellent facility. Clean. Contract jailer. "Pay to Stay" available.	24	PD	320 W. Newmark Ave. Monterey Park, CA 91754	(626) 307-1266

Reference	Facility	Compliant	Compliant – see Recommendations	Non-Compliant – see Recommendations	Comments	Capacity	Managed	Address	Telephone
A74	Newton Area PD		NA		Large detective division staffed with specialists. No holding cells.		LAPD	3400 S. Central Ave. Los Angeles, CA 90011	(323) 846-6547
A75	North Hollywood PD	X			Clean. Well-run. Sufficient staff.	41	LAPD	11640 Burbank Blvd. North Hollywood, CA 91601	(818) 756-8822
A76	Northeast (LAV/Eagle Rock) PD			X	Cells have no toilets; arrestees use police restrooms. Officers do not have gun lockers and must enter cells with holstered weapons. The old building floor was being tested for hazardous substances.	20	LAPD	3353 San Fernando Rd. Los Angeles, CA 90065	(213) 485-2566
A77	Norwalk Courthouse	X			Busy, but needs more deputies. Recommend one AED on every floor.	221	LASD	12720 Norwalk Blvd. Norwalk, CA 90650	(562) 807-7285
A78	Norwalk Station	X			Well-run facility, despite house-keeping issues of old flooring peeling paint.	55	LASD	12335 Civic Center Dr. Norwalk, CA 90650	(562) 863-8711
A79	Olympic PD (Korea Town)				Not visited.		LAPD	1130 S. Vermont Ave. Los Angeles, CA 90006	(213) 382-9102
A80	Pacific Area PD		NA		No longer used as a jail. Cells currently sealed.		LAPD	12312 Culver Blvd. Los Angeles, CA 90066	(310) 482-6334
A81	Palmdale Station	X			Exemplary facility: clean maintenance, professional commitment. "Ethics-Based," proactive operation. International award winning station.	32	LASD	750 E. Avenue Q Palmdale, CA 93550	(661) 272-2400
A82	Palms Verdes Estates	X			Very well run older facility, despite need of a sally port.	12	LAPD	340 Palms Verde Dr. Palms Verdes Estates, CA 90274	(310) 378-4211
A83	Parker Center PD		NA		Closed. Administrative only. Replaced by MDC.		LAPD	150 N. Los Angeles St. Los Angeles, CA 90012	(213) 485-2510
A84	Pasadena Courthouse	X			Staff requested monitors in many areas. Paint could use repair.	163	LASD	300 E. Walnut St. Pasadena, CA 91101	(626) 356-5689
A85	Pasadena PD	X			Well-run facility. A new, clean excellent facility.	104	PD	207 N. Garfield Ave. Pasadena, CA 91101	(626) 744-4545
A86	Pico Rivera Station		NA		Toured new facility. Not inspected.		LASD	6631 Passons Blvd. Pico Rivera, 90660	(562) 949-2421

Reference	Facility	Compliant	Compliant – see Recommendations	Non-Compliant – see Recommendations	Comments	Capacity	Managed	Address	Telephone
A87	Pitchess Detention Center-East Facility		X		This older facility for a "high risk" population is well managed and provides a variety of educational and trade learning skills. Increased staffing could be helpful.	1900	LASD	29310 The Old Road Castaic, CA 91384	(661) 295-8812
A88	Pitchess Detention Center-North Facility	X			Limited number of inmates to provide future housing.	1600	LASD	29320 The Old Road Castaic, CA 91384	(661) 295-8092
A89	Pitchess Detention Center-South	X	X		Excellent facility, but lacks video monitoring in barracks and dining area.	1500	LASD	29330 The Old Road Castaic, CA 91384	(661) 295-8822
A90	Pitchess North-County Correctional Facility		X		A clean well run facility which could use more supervision for the very high risk population of inmates.	4300	LASD	29340 The Old Road Castaic, CA 91384	(661) 295-7969
A91	Pomona (North and South) Courthouse	X			Very good facility built in 1940. AED in South Courthouse desired.	81	LASD	350 W. Mission Blvd. Pomona, CA 91766	(909) 802-9944
A92	Pomona PD	X			Very good facility. Well run by staff. An older building.	72	PD	490 W. Mission Blvd. Pomona, CA 91766	(909) 622-1241
A93	Rampart Division PD	X			A new building with state-of-the-art holding cells.	20	LAPD	1401 W. 6th St. Los Angeles, CA 90017	(213) 484-3400
A94	Redondo Beach PD				Not visited.		PD	401 Diamond St. Redondo Beach, CA 90277	(310) 379-2477
A95	San Dimas Station	X			Well-run facility. Funding for hiring additional officers desired.	23	LASD	270 S. Walnut Ave. San Dimas, CA 91773	(909) 450-2700
A96	San Fernando PD	X			Well-run facility. "Pay-to-stay" option. Dietician contracted for meals. One recent suicide.	30	PD	910 First St. San Fernando, CA 91340	(818) 898-1267
A97	San Fernando Court (North Valley District)	X			Well-run facility. Central floor plan is very effective, and very busy. No AED.	81	LASD	900 Third St. San Fernando, CA 91340	(818) 898-2403
A98	San Gabriel PD	X			Old facility. Some cells used for storage. Arrestees taken to Monterey Park.	14	PD	625 Del Mar Ave. San Gabriel, CA 91776	(626) 308-2828
A99	San Marino PD				Not visited.		PD	2200 Huntington Dr. San Marino, CA 91105	(626) 300-0720

Reference	Facility	Compliant	Compliant – see Recommendations	Non-Compliant – see Recommendations	Comments	Capacity	Managed	Address	Telephone
A100	Santa Clarita Courthouse				Not visited.		LASD	23747 W. Valencia Blvd. Valencia, CA 91355	(661) 253-7313
A101	Santa Clarita Valley Station			X	Old facility. Lack of personnel: one jailer per shift. No camera-monitors in cells. No sally port. No soft flooring in sobering cell.	40	LASD	23740 W. Magic Mountain Pkwy. Valencia, CA 91355	(661) 255-1121
A102	Santa Monica PD				Not visited.		PD	1685 Main St. Santa Monica, CA 90401	(310) 458-8491
A103	Sierra Madre PD	X			Very well run facility. Very well managed. Out-sourced jailers	4	PD	242 Sierra Madre Blvd. Sierra Madre, CA 91024	(626) 355-1414
A104	Signal Hill PD	X			A new station is under construction: 2750 Walnut Ave. Jail has AED. No facilities for juveniles or females.	9	PD	1800 E. Hill St. Signal Hill, CA 90806	(562) 989-7200
A105	South Gate PD				Not visited.		PD	8620 California Ave. South Gate, CA 90280	(323) 563-5400
A106	South Pasadena PD		NA		No longer a holding facility. Now used for high-school "Scared Straight" program.	NA	PD	1422 Mission St. South Pasadena, CA 91030	(626) 403-7270
A107	Southeast Area (108th St) PD				Not visited.		LAPD	145 W. 108th St. Los Angeles, CA 90061	(213) 972-7828
A108	Southwest Area (MLK Blvd) PD				Not visited.		LAPD	1546 W. Martin Luther King Blvd. Los Angeles, CA 90062	(213) 485-2615
A109	South Los Angeles Station	X			Replaced Lennox Station. New, excellent award winning facility with strong staff.	36	LASD	1310 W. Imperial Hwy. Los Angeles, CA. 90044	(323) 820-6700
A110	Temple City Station				Not visited.		LASD	8838 Las Tunas Dr. Temple City, CA 91780	(626) 285-7171
A111	Topanga PD	X			Modern facility. Large detective area.	8	LAPD	12501 Schoenborn St. Canoga Park, CA 91304	(818) 778-4800
A112	Torrance PD				Not visited.		PD	5019 3300 Civic Center Dr. Torrance, CA 90503	(310) 328-3456
A113	Torrance Courthouse				Not visited.		LASD	825 Maple Ave. Torrance, CA 90503	(310) 222-8801

Reference	Facility	Compliant	Compliant – see Recommendations	Non-Compliant – see Recommendations	Comments	Capacity	Managed	Address	Telephone
A114	Twin Towers Correctional Facility (TTCF)	X			A well run facility. Inspected Mental Health Area. Food preparation area is clean and well run.	4700	LASD	450 Bauchet St. Los Angeles, CA 90012	(213) 893-5050
A115	Van Nuys (West) Court (Northwest District)		X		Policies and Procedures digital only--no hard copy.	33	LASD	14400 Erwin Street Mall Van Nuys, CA 91401	(818) 374-2174
A116	Van Nuys Division PD		X		Does not have sally port.	300	LAPD	6240 Sylmar Ave. Van Nuys CA 91401	(818) 374-2208
A117	Vernon PD	X			Well-run older facility, for small resident population. Females immediately transferred to CRDF.	19	PD	4305 S. Santa Fe Ave. Vernon, CA 90058	(323) 587-5171
A118	Walnut/Diamond Bar Station	X			Good facility built in 1960. Staff requests cuffing rail in conference room and a freezer.	34	LASD	21695 E. Valley Blvd. Walnut, CA 91790	(909) 595-2264
A119	West Covina Courthouse				Not visited.		LASD	1427 West Covina Pkwy. West Covina, CA 91790	(626) 813-3236
A120	West Covina PD				Not visited.		PD	1440 W. Garvey Ave. West Covina, CA 91790	(626) 939-8500
A121	West Hollywood Station				Not visited.		LASD	780 N. San Vicente Blvd. West Hollywood, CA 90069	(310) 855-8850
A122	West LA PD		NA		Detectives and patrol only; no jail cells. Arrestees driven to Van Nuys processing station.		LAPD	16603 Butler Ave. Los Angeles, CA 90025	(310) 442-0702
A123	West Valley (Reseda) PD	X			Excellent facility. Clean. Large community service program and many volunteers.	8	LAPD	19020 Vanowen St. Reseda, CA 91335	(818) 374-7611
A124	Whittier Courthouse	X			Well run facility. Very clean facility.	22	LASD	7339 S. Painter Ave. Whittier, CA 90602	(562) 907-3127
A125	Whittier PD	X			Modern operation systems. An excellent new jail. Contract jailer.	32	PD	7315 Painter Ave. Whittier, CA 90602	(562) 945-8250

Reference	Facility	Compliant	Compliant – see Recommendations	Non-Compliant – see Recommendations	Comments	Capacity	Managed	Address	Telephone
A126	Wilshire Area PD		NA		Jail closed and certified sealed in 12/2010. Plans to re-open. Arrestees booked; shipped to Men's Central or 77th Street, unless ill.	n/a	LAPD	4861 W. Venice Blvd. Los Angeles, CA 90019	(213) 473-0746

**ACRONYMS**

- LAPD Los Angeles Police Department
- LASD Los Angeles Sheriff Department
- PD Police Department of the City

## APPENDIX B – JUVENILE DETENTION FACILITIES

Reference	Facility	Compliant	Non-Compliant	Comments	Address	Telephone
<b>Courts:</b>						
Y1	Alfred McCourtney Juvenile Justice Center	X		A very busy court. Holding cells for both adults and juveniles.	1040 W. Avenue J Lancaster, CA 93534	(661) 949-6503
Y2	Central (Eastlake Detention Center) Juvenile Court			Not visited.	1605 Eastlake Ave. Los Angeles, CA 90033	(323) 226-8611
Y3	Edelman Children's Dependency Court		NA	Visited by entire Civil Grand Jury	201 Centre Plaza Dr. Monterey Park, CA 91754	(323) 526-6657
Y4	Inglewood Juvenile Court			Not visited.	110 E. Regent St. Inglewood, CA 90301	(310) 419-5267
Y5	LA-Kenyon - Juvenile Justice Center			Not visited.	7625 S. Central Ave. Los Angeles, CA 90001	(323) 586-6103
Y6	San Fernando Valley Juvenile		NA	Re-named Barry J. Nidorf Hall. Court not visited.	16350 Filbert St. Sylmar, CA 91342	(818) 364-2011
<b>Halls/Centers:</b>						
Y7	Barry J. Nidorf (Sylmar Juvenile) Hall	X		Appears clean and well- run by a competent, caring staff.	16350 Filbert St. Sylmar, CA 91342	(818) 364-2011
Y8	Central (Eastlake Detention Center) Juvenile Hall	X		Well-run facility. Able staff. Recommendation: locks on storage-cabinets in juvenile areas – for security.	1605 Eastlake Ave. Los Angeles, CA 90033	(323) 226-8611
Y9	Los Padrinos Juvenile Hall		NA	Visited by entire Civil Grand Jury.	7285 Quill Dr. Downey, CA 90242	(562) 940-8631
Y10	Dorothy Kirby Treatment Center			Not visited.	1500 S. McDonnell Ave. Los Angeles, CA 90022	(323) 981-4301

Reference	Facility	Compliant	Non-Compliant	Comments	Address	Telephone
<b>Camps:</b>						
Y11	Afflerbaugh	X		Facility identical to Paige. Concern: increased paperwork allows less time with juveniles. Volunteers provide behavioral/spiritual needs program.	6631 N. Stephens Ranch Rd. La Verne, CA 91750	(909) 593-4937
Y12	Challenger- Jarvis	X		Well run facility; recommend contract with local hospital facility.	5300 W. Avenue "I" Lancaster, CA 93536	(661) 940-4144
Y13	Challenger-McNair	X		Well run facility; recommend contract with local hospital facility.	5300 W. Avenue "I" Lancaster, CA 93536	(661) 940-4146
Y14	Challenger-Onizuka	X		Well run facility; recommend contract with local hospital facility.	5300 W. Avenue "I" Lancaster, CA 93536	(661) 940-4144
Y15	Challenger-Resnick		NA	Not presently used	5300 W. Avenue "I" Lancaster, CA 93536	
Y16	Challenger-Scobee		NA	Not presently used	5300 W. Avenue "I" Lancaster, CA 93536	
Y17	Challenger- Smith		NA	Not presently used	5300 W. Avenue "I" Lancaster, CA 93536	
Y18	Gonzales	X		Excellent facility. Great classes and outside programs for fulfilling career goals.	1301 N. Las Virgenes Rd. Calabasas, CA 91302	(818) 222-1192
Y19	Holton		NA	Closed. Under contract with Forestry Department.	12653 N. Little Tujunga Canyon Rd., San Fernando, CA 91352	(818) 896-0571
Y20	Kilpatrick	X		Sports-oriented camp. Suggestion: Youth help garden/clean camp.	427 S. Encinal Canyon Rd. Malibu, CA 90265	(818) 889-1353
Y21	Mendenhall	X		Recommendation: contract local hospital.	42230 Lake Hughes Rd. Lake Hughes, CA 93532	(661) 724-1213
Y22	Miller	X		House-keeping issues: windows, sinks, floors dirty. Kitchen clean. Needs funding for tattoo removal.	433 S. Encinal Canyon Rd. Malibu, CA 90265	(818) 889-0260

Reference	Facility	Compliant	Non-Compliant	Comments	Address	Telephone
		X				
Y23	Munz	X		Recommendation: contract local hospital.	42220 N. Lake Hughes Rd. Lake Hughes, CA 93532	(661) 724-1211
Y24	Paige (Fire Camp)	X		Under-staffed; many substitute teachers. Eliminated vocational classes, exercise equipment. Excellent forestry training.	6601 N. Stephen Ranch Rd. La Verne, CA 91750	(909) 593-4921
Y25	Rockey (Glenn)	X		Education for youth improving. Insufficient staffing. Plans underway for change of shift structure for more staff.	1900 N. Sycamore Canyon Rd. San Dimas, CA 91773	(909) 599-2391
Y26	Routh (Fire Camp)		NA	Closed. Septic tank failure.	12500 Big Tujunga Canyon Rd. Tujunga, CA 91042	(818) 352-4407
Y27	Scott (Girls' Camp)	X		Located adjacent to Scudder. The site's school, The Road to Success Academy, has had a positive effect on the attitudes of the girls. The swimming pool should be renovated.	28700 N. Bouquet Canyon Rd. Santa Clarita, CA 91350	(661) 296-8500
Y28	Scudder (Girls' Camp)	X		Excellent educational program which positively supports the camp ethics and atmosphere. Cooperation observed between Probation Department and Educators.	28750 N. Bouquet Canyon Rd. Santa Clarita, CA 91350	(661) 296-8811

## **APPENDIX C – DEFINITIONS OF DETENTION TERMS**

### **Juvenile Facilities**

#### **Camps**

Youth supervision and guidance administered by the appropriate probation department.

#### **Courts**

Juvenile offenders are held for hearing, arraignment, and pre-trial.

#### **Halls/Centers**

Short term holding facilities where juveniles are assessed, educated, and supervised prior to assignment to a Juvenile Camp.

### **Adult Facilities**

#### **Jails**

Detention facilities that house both pre-trial and sentenced inmates administered by the Los Angeles Sheriff's Department (LASD), Los Angeles Police Department (LAPD), or municipal police departments.

#### **Holding Cells**

Detention facilities that house prisoners for transfer to jails or court arraignments.

#### **Courthouses**

Cells in Courthouses where prisoners are held for trial proceedings administered by LASD, LAPD or local Police Department.

#### **Prisons**

Detention facilities that operate at the state level. These facilities were not visited or inspected by the CGJ for jurisdictional limitations.

#### **Camps**

Fire Camps where inmates are trained and supervised as they prepare to fight fires in remote locations.

### **General Terms**

#### **Sally Port**

An area in which both entrance and exit ports are independently operated so detainees are enclosed at all times. The gates are often remotely controlled.

#### **Sobering Cell**

A jail cell that usually has a soft, yet non-porous floor. The cell is designed to protect the safety of inebriated detainees.

**APPENDIX D**

**DETENTION FACILITIES INSPECTION REPORT BY THE DETENTION COMMITTEE  
OF THE 2011-2012 LOS ANGELES COUNTY CIVIL GRAND JURY**

DATE: \_\_\_\_\_ ARRIVAL TIME: \_\_\_\_\_ AM/PM DEPARTURE TIME: \_\_\_\_\_ AM/PM

FACILITY NAME: \_\_\_\_\_

FACILITY ADDRESS: \_\_\_\_\_

TYPE OF FACILITY Jail \_\_\_ Holding Cell \_\_\_ Court \_\_\_ FACILITY PH#: \_\_\_\_\_

OPERATED BY CITY/COUNTY DEPT: \_\_\_\_\_ YR BUILT: \_\_\_\_\_

WATCH COMMANDER / ESCORT: \_\_\_\_\_

MAXIMUM INMATE CAPACITY: \_\_\_\_\_ CAPACITY TODAY: \_\_\_\_\_ MALE \_\_\_\_\_ FEMALE \_\_\_\_\_

REPORT PREPARED BY – GRAND JUROR’S NAMES:

**SCORING:**

RATINGS: 1 – VERY POOR 2 – POOR 3 – ACCEPTABLE 4 – GOOD 5 – VERY GOOD

COMPLIANCE - C NON COMPLIANCE – NC

SUBJECT	RATING	C / NC	COMMENTS AND RECOMMENDATIONS
Staffing			Q. How many personnel are you required to have on duty at all time? Are translators available for non-English speaking arrestees? Male/Female staffing numbers. Numbers and hours of shifts.
General P & P's P&P's Accessibility / Staff Knowledgeable			Q. Show us your Policies & Procedures (Book and On-line). Are there additions/ updates? Have they been implemented? Is there a training log? Can we see it?
Education / Job Training for Staff Risk Management Issues			Q. What job training is required / available for the staff? What staff mem- bers have completed P.O.S.T. training? How often? See training log.
Emergency Proce- dures / Fire			Q. Tell us what you would do in an emergency, such as an earthquake/ riot/ fire/ inmate disturbance. What precautions are used to avoid fires or other hazards?
Emergency Care / Safety			Q. How do you handle arrestees during an earthquake or fire (drill)? What is the location of the nearest paramedic unit? How often do you have CPR, Cert, and defibrillation training?
Healthcare / Triage / Safety / Care Medical Assistance / Infirmary Patients			Q. What happens when an inmate or arrestee says he/she is ill? (4011) Or you suspect he/she is ill? How do you protect the rest of the population from a communicable disease? (4020)

SUBJECT	RATING	C / NC	COMMENTS AND RECOMMENDATIONS
Mental Health			Q. What steps are followed if it is determined that an inmate requires treatment and/or evaluation? (4011). Are prisoners isolated for any reasons? <hr/>
Suicide Watch			Q. Describe your suicide watch procedure? Are there written records/log sheets? <hr/>
Restraints			Q. What type of restraints do you use? What is your procedure? Do you have sufficient quantity? <hr/>
Sanitation / Toilet Facility / Showers / Bedding / Linens / Towels / Soap			Q. What are your procedures regarding the use of showers / toilet facilities? How often cleaned? Do you have adequate blankets, towels, soap, etc.? <hr/>
Segregation			Q. When do you use administrative segregation? 4001 What classes of prisoners do you <b>not</b> house in the same room? (4002 b) <hr/>
Lock-up Security			Q. What practices do you follow to prevent escape? (4004) <hr/>
Protective Custody			Q. How often does the jailer check the prisoners? (face-to- face, TV monitor, etc) Is there a written record / log? <hr/>
Visitation Legal / Personal			Q. Where/when can an inmate meet with his/her attorney? Have visitation? Is information posted in Spanish and or other languages? When and how are procedures explained to inmates/arrestees? <hr/>
Telephone Availability			Q. When are arrestees allowed to use a phone and how are they escorted? <hr/>
Food Conditions / Expiration Dates			Q. Can you describe the food preparing process, and feeding the inmates? How many meals per day are served? (4062, 4025) Check expiration dates on food. <hr/>
General Appearance / Noise Level			Q. Is there anything you would like to improve in the physical facility? Write your own comments about your own observation. <hr/>

SUBJECT	RATING	C / NC	COMMENTS AND RECOMMENDATIONS
<b>Juvenile Facilities</b> Training / Education			Q. Tell us about your educational training for juveniles. What's available? How often does educational training occur (days / hours per day).
Date of Last Disturbance - Reason and Preventative Measures:			
Additional Comments / Concerns:			

**NOTE:**

1. Minimum of two (2) members visit detention facilities
2. Always wear your CGJ Badge
3. Always carry your CGJ Business Cards and give to the Watch Commander or Escort on duty
4. Upon departure of detention facility, say "Thank you", and if asked to go out to lunch, etc., say something like "No thank you, we are on a schedule"

**APPENDIX E**

**FINAL CONSENSUS**

**DETENTION COMMITTEE OF THE 2011-2012 LOS ANGELES COUNTY CIVIL GRAND JURY**

DATE: \_\_\_\_\_ ARRIVAL TIME: \_\_\_\_\_ AM/PM DEPARTURE TIME: \_\_\_\_\_ AM/PM

FACILITY NAME: \_\_\_\_\_

FACILITY ADDRESS: \_\_\_\_\_

TYPE OF FACILITY Jail \_\_\_ Holding Cell \_\_\_ Court \_\_\_ FACILITY PH#: \_\_\_\_\_

WATCH COMMANDER / ESCORT NAME(S) \_\_\_\_\_

MAXIMUM INMATE CAPACITY: \_\_\_\_\_ CAPACITY TODAY: \_\_\_\_\_ MALE \_\_\_\_\_ FEMALE \_\_\_\_\_

FINAL CONSENSUS PREPARED BY – GRAND JUROR’S NAMES:  
\_\_\_\_\_

**FINAL GROUP CONSENSUS:**

C = COMPLIANT NC = NON COMPLIANT Circle one: **C** **NC**

Write CONSENSUS, and if applicable, recommendations:

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**APPENDIX F**

**LARGE JAIL FACILITIES INSPECTION REPORT BY THE  
DETENTION COMMITTEE OF THE LOS ANGELES COUNTY CIVIL GRAND JURY 2011-2012**

DATE: \_\_\_\_\_ ARRIVAL TIME: \_\_\_\_\_ AM / PM DEPARTURE TIME: \_\_\_\_\_ AM / PM

FACILITY NAME: \_\_\_\_\_

FACILITY ADDRESS: \_\_\_\_\_

TYPE OF FACILITY Jail \_\_\_\_\_ Holding Cell \_\_\_\_\_ FACILITY PH#: \_\_\_\_\_

OPERATED BY CITY/COUNTY DEPT: \_\_\_\_\_ YR BUILT: \_\_\_\_\_

WATCH COMMANDER / ESCORT: \_\_\_\_\_

Maximum Inmate Capacity: \_\_\_\_\_ Current Capacity: \_\_\_\_\_ MALE \_\_\_\_\_ FEMALE \_\_\_\_\_

REPORT PREPARED BY – CIVIL GRAND JUROR'S NAMES:

**SCORING:**

**RATINGS:** 1 – VERY POOR, 2 – POOR, 3 – ACCEPTABLE, 4 – GOOD, 5 – VERY GOOD,  
**COMPLIANCE - C NON COMPLIANCE – NC**

SUBJECT	RATING C/NC	COMMENTS AND RECOMMENDATIONS
<b>Staff</b> Number of staff(s) per shift. Number of hours per shift.  <b>Risk Management</b>		Q. How many personnel are you required to have on duty at all time?  Q. Are translators available for non-English speaking inmates? Male/Female staffing numbers.  Q. What preventive measures do you take for the Staff? Facility? Inmates?  Q. How are inmates assigned "housing assignments"? Who assigns?  Q. Who provides orientation, pertaining to facility operations and rules?  <hr/> Q. How do you get to be a "Trustee"? And what do the Trustees do?
<b>Trustee</b>  <b>General</b> Policy & Procedures  <b>Education/Training</b>		Q. Show us your Policies & Procedures (Manuals and On-line). Updates? Q. Have they been implemented?  Q. Do you have a training log? Can we see it? Q. What job training is required / available for the staff?  Q. What staff members have completed CPR, AED, CERT, P.O.S.T. training?  Q. Who has CPR, AED training? Certified?

SUBJECT	RATING C/NC	COMMENTS AND RECOMMENDATIONS
<p><b>Legal</b> <b>Lawyer/Client visit</b> <b>Translator</b></p> <p><b>Immigration with ICE</b></p>		<p>Q. Where/when can an inmate meet with his/her attorney?                      Q. Is information posted in Spanish and other languages?                      Q. When and how are procedures explained to inmates/arrestees?                      Q. When are arrestees allowed to use a phone and how are they escorted?                      Q. Immigration with ICE?                      Q. What are the immigration issues? And how are they handled?</p>
<p><b>Inmate</b> Hygiene, wash facility, toiletries, linens, clothing</p> <p><b>ADA</b> <b>AED Emergency Services</b></p> <p><b>Incoming Process</b> <b>Orientation</b></p> <p><b>Inmate Complaint</b> <b>Inmate Behavior</b></p>		<p>Q. What are your procedures regarding the use of showers / toilet facilities?                      Q. Is the area cleaned? Do you have adequate blankets, towels, soap, etc.?                      Q. Is there <b>hot/cold</b> water for washing? Are there problems: paint? rust? mold?</p> <p>Q. See the ADA areas: floor, toilets, showers, grab bar, inmate cell,                      Q. <b>Automated External Defibrillator</b>: location, access within 4-6 mins.</p> <p>Q. Please explain the process of an incoming inmate to your facility.                      Q. Library, schooling (GED),</p> <p>Q. How do you handle inmates complaints?                      Q. What is the consequence(s) for inmate for insubordination?                      Q. How do you handle a pregnant inmate? Housing?</p>
<p><b>Jail</b> Lock-up Security Protective Custody</p>		<p>Q. How/Who decides the inmate housing? Non-violent vs. Violent inmate.                      Q. How often does the staff check on inmate on each shift?                      (Face-to-face, video monitor, etc) Is there a written or video record/log?                      Q. What practices do you follow to prevent escape? (4004)</p>
<p><b>Jail Staff</b> <b>Training &amp; Education</b></p>		<p>Q. What training are detention/jail officers/staff given before working in this facility?                      Medical ward?</p> <p>Q. How many Sheriffs/Officers on each floor? Male staff: ____ Female staff: ____                      Q. Are male staff(s) allowed to be alone with a female inmate?</p> <p>Q. Do you have direct observation of inmates at all times? POD? HUB?                      Q. How do you handle gangs?                      Q. How do you prevent inmate from being beaten up by other inmates/gang?</p>
<p><b>Medical</b> <b>Doctors</b> <b>Hospice Care</b> <b>ADA</b></p> <p><b>Medical Appointment</b></p> <p><b>Intake</b></p> <p><b>Lab Tests</b></p> <p><b>Treatment</b></p>		<p>Q. Where do you get your doctors? And are they board certified?                      Q. What are your medical care policies and procedures?                      Q. Do you have provisions for hospice care?                      Q. Are you up-to-code with ADA? See all ADA rooms on each floor for compliance with OSHA.</p> <p>Q. How many inmates make it to their medical appointments?</p> <p>Q. Do you have special provision for inmates with diabetes?                      Q. How do you treat hepatitis?                      Q. What do you do regularly to avoid infection? i.e. scars?                      Q. Where are inmates processed for Tuberculosis? STD? If you find active, what is your procedure?                      Q. How many inmates death do you have as a result of misdiagnosis, delayed treatment or no treatment at all?                      Q. Where are the lab tests sent? When are lab results returned? What is the time frame?                      Q. When the results are returned. What time frame for diagnosis? For treatment?</p>

**Questions:****Trustee:**

How do you get to be a “Trustee”? And what do the Trustees do?

**Medical:**

Where do you get your doctors? And are they board certified?

Who assigns housing assignments and provide orientation, pertaining to facility operations and rules?

What training are detention/jail officers/staff given before working in this facility? ward?

How many inmates make it to their medical appointments?

Do you have provisions for hospice care?

**ADA American Disability Act** - compliant for handicapped, obese, etc.

**AED Automated External Defibrillator** – *AB 911 Emergency Care Automated External Defibrillator: acquisition & liability.*

How many inmates death do you have as a result of misdiagnosis, delayed treatment or no treatment at all?

Where are the lab test sent? When is the lab results returned? What is the time frame?

When the test results and diagnosis are returned, what is the time frame for treatment?

What are your medical care policies and procedures?

How well a prison’s medical staff is trained and supervised.

Do you have special provision for inmates with diabetes?

What do you do treat? prevent infection? Asthma? Tuberculosis? Hepatitis? chronic conditions? STD? AIDS?

And if you found active, what is your procedure?

**Jail:**

How many Sheriffs/Officers on each floor? \_\_\_\_\_ Male staff: \_\_\_\_\_ Female staff: \_\_\_\_\_

Do you have direct observation of inmates at all times? POD? HUB?

Are male staff(s) allowed to be alone with a female inmate?

What happens during a lockdown?

How do you handle a fight? What means do the guards use to break up a fight?

How do you handle gangs?

Can you prevent a prisoner from being beaten up by gang members on other prisoners?

**Inmates:**

Please explain the “process of an incoming inmate” to your facility.

How do you handle inmates complaints?

What is the inmate punishment for bad behavior or not following directions? What are the consequences?

What are the immigration issues? And how are they handled?

How do you handle a pregnant inmate?

Please explain the “exit process when they release inmates? What provisions are provided/not provided for inmates to get where they’re going?

COMMENT
Date of Last Disturbance - Reason and Preventative Measures:
Comments / Concerns:

**NOTE:**

5. Minimum of two (2) CGJ members on an inspection to Jail/Detention facilities. Please watch your **“VISIT TIME LIMIT”**.
6. CGJ member **MUST** always wear their **CGJ ID Badge** at the site.
7. Please bring and present your **CGJ business card** to the Watch Commander or Escort on Duty.
8. Explain that you are from the Civil Grand Jury and are there to perform an inspection of the site.
9. This is a requirement of the: dated 2008 Los Angeles Penal Code section 888 through 939.91, and Government Code sections 3060-3075, 27100-27101, 68070-68114.10.
6. Upon departure of Jail/Detention facility, say **“Thank you”** to the Escort on Duty or Watch Commander. And if asked to go out to lunch, CGJ says something like **“No, Thank you. We are on a schedule”**.





# EDIT COMMITTEE



## COMMITTEE MEMBERS

**R. Bruce McCormick – Chair**  
**Gregory Steve Alvarado**  
**Sharon S. Burgess**  
**Bob Cremer**  
**Diana S. Lee**  
**Bobbi Miller**  
**Alf Schonbach**  
**Thomas C. Wentz**



# **EDIT COMMITTEE**

## **INTRODUCTION**

Each committee of the 2011-2012 Los Angeles County Civil Grand Jury (CGJ) was responsible for submitting a report to the Edit Committee (EC) for editing, grammatical correctness, consistency, and clarity before the document was submitted to the full CGJ for approval. After final approval by the CGJ and County Counsel, each committee report was turned over to the Publication Committee for inclusion in the Final Report. The Final Report, after approval by the Supervising Judge of the Criminal Courts, of the Los Angeles County Superior Court, was distributed to the County, City and other governmental agencies that were investigated, as well as the general public and the media.

The EC's ultimate goal was to produce a Final Report that was grammatically correct, consistent and readable, consisting of findings, conclusions, and recommendations generated by the various CGJ committees. The Final Report was the only document through which the CGJ communicated with the public.

## **BACKGROUND**

Penal Code §933(a) requires that the CGJ submit a Final Report to the Supervising Judge of the Los Angeles County Superior Court at the end of each jury term. Prior to publication, all committee reports must be approved by the CGJ. Each report was then submitted to the County Counsel (the CGJ's legal advisor) and the aforementioned Supervising Judge. The Final Report summarized the result of the activities, inquiries, audits and investigations conducted by the CGJ committees.

## **METHODOLOGY**

Each standing and investigative committee submitted its final draft report to the Edit Committee. The Edit Committee reviewed each report for correct grammar, consistency, clarity, and readability. Edit changes were made as needed. Factual content was not altered or changed.

## **ACRONYMS**

<b>CGJ</b>	Los Angeles County Civil Grand Jury
<b>EC</b>	Edit Committee



# **PUBLICATION COMMITTEE**



## **COMMITTEE MEMBERS**

**Jocelyn Keene – Co-Chair**  
**Rik Shubb – Co-Chair**  
**Diana S. Lee**  
**Anita L. Wong**



# **PUBLICATION COMMITTEE**

## **INTRODUCTION**

At the end of each year of service, the Civil Grand Jury is responsible for the publication of a Final Report that includes all of the investigative and standing committee reports. During the last week of June, individual reports are delivered to all agencies receiving recommendations in the report. On the last working day of June, the entire Final Report is released to the public and distributed to all County agencies, all municipal governments and other interested parties.

## **METHODOLOGY**

The Publication Committee developed and managed the production schedule for each report and overall publishing schedule. After each committee report was accepted by the 2011-2012 Los Angeles County Civil Grand Jury (CGJ), the Publication Committee was responsible for standardizing the appearance of each report in the format accepted by the CGJ. The committee formatted titles, section headings, headers, footers, footnotes, tables, appendices, exhibits and pagination for the Final Report. It designed the general appearance of the Final Report, communicating with the County-approved vendor to select the type of binding, cover color and material, and separation tabs for the Final Report.

The Publication Committee produced the publishable computer file and the file for posting on the CGJ website<sup>1</sup>, and worked with the County-approved vendor to print the final document.

## **SUMMARY**

The 2011-2012 Los Angeles County Civil Grand Jury Final Report was approved by the CGJ and by the Supervising Judge of the Los Angeles Criminal Courts. The Final Report was distributed to the Clerk of the Court, the State Archivist, the Los Angeles County Board of Supervisors, all County and other agencies that were investigated, Los Angeles County municipalities, other California counties, the general public, and the media.

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<sup>1</sup> <http://grandjury.co.la.ca.us/gjreports.html>



# **SOCIAL COMMITTEE**



## **COMMITTEE MEMBERS**

**Delora Brown – Chair  
Elizabeth B. Calvert  
Margaret Yzaguirre**



# **SOCIAL COMMITTEE**

## **INTRODUCTION**

The Social Committee has traditionally been a standing committee of Civil Grand Jury (CGJ). A group of 23 individuals come together for a year and typically need time to share interests and ideas.

## **BACKGROUND**

When the 2011-2012 CGJ convened in July, standing committees were organized and responsibilities were assigned. All CGJ members decided that the Social Committee would be responsible for organizing social events and providing refreshment supplies.

## **METHODOLOGY**

The committee performed the following duties during the 12 months of service as a group:

1. Collected funds from CGJ members for monthly lunches, coffee, supplies, bottled water and special off-site lunches.
2. Held monthly theme lunches on-site to celebrate each member's birthday.
3. Organized lunches off-site for interested and available members, to sample downtown Los Angeles restaurants.
4. Purchased refreshment supplies in the committee room, such as coffee, tea, sugar, cream, etc.
5. Organized an off-site December holiday luncheon and June end-of-term luncheon.

## **SUMMARY**

The events and work of the committee served to assure leisure time, socialization and adventure in the downtown Los Angeles area. It was also an outlet for the CGJ members from an intense investigation agenda.

## **RECOMMENDATIONS**

Each year's CGJ should continue to have a Social Committee.

## **ACRONYMS**

**CGJ**                      Civil Grand Jury



# **SPEAKERS AND EVENTS COMMITTEE**



## **COMMITTEE MEMBERS**

**Thomas Joyner - Chair**  
**Jocelyn Keene**  
**R. Bruce McCormick**  
**Margaret Yzaguirre**



# **SPEAKERS AND EVENTS COMMITTEE**

## **INTRODUCTION**

The 2011-2012 Civil Grand Jury (CGJ) was comprised of a diverse group of 23 citizens of Los Angeles County with varying degrees of knowledge of local governmental functions. The Speakers and Events Committee invited prominent public officials to address the CGJ on issues challenging Los Angeles County and local governments. The committee also planned and coordinated site visits of governmental facilities that were of interest to the CGJ.

## **BACKGROUND**

The purpose of inviting speakers was to educate the CGJ about the speakers' areas of responsibility. Site visits were chosen to acquaint CGJ members with facilities administered by the County and other local governments.

## **METHODOLOGY**

The Speakers and Events Committee reviewed the list of invited speakers and facilities visited from previous CGJs and solicited recommendations from the current CGJ. The CGJ members agreed upon a final list of suggested speakers and site visits. The committee then scheduled the speakers and the site visits. The list of governmental facilities visited are shown below and the schedule of speakers is on the following page.

## **FACILITIES VISITED**

<b>Date</b>	<b>Location</b>
08/09/11	Century Regional Detention Facility
08/16/11	Men's Central Jail
08/25/11	Los Padrinos Juvenile Hall
09/12/11	Hertzberg-Davis Forensic Science Center
09/15/11	Edmund D. Edelman Children's Court
09/28/11	Department of the Coroner, Los Angeles County
09/30/11	Twin Towers Correctional Facility
11/15/11	Los Angeles City Hall and Fire Department Operations Control Division
03/01/12	Emergency Operations Bureau, LASD
03/23/12	Clara Shortridge Foltz Criminal Justice Center

**SPEAKERS**

<b>Date</b>	<b>Speaker</b>	<b>Position</b>
07/06/11	Marcus Castro*	West Coast Consulting
07/14/11	Gordon Graham*	Director and President, Lexipol LLC
07/20/11	Wendy L. Watanabe	Auditor-Controller, Los Angeles County
	James L. Schneiderman	Assistant Auditor-Controller, Los Angeles County
08/19/11	Donald H. Blevins	Chief Probation Officer, Los Angeles County
08/23/11	Michael Moore	Assistant Chief, Los Angeles Police Department
08/29/11	Astrid H. Heger	Executive Director, Violence Protection Program, LAC+USC
08/30/11	Stephen R. Maguin	Chief Engineer, Sanitation Districts of Los Angeles County
08/31/11	Ronald L. Brown	Public Defender, Los Angeles County
09/02/11	Steven J. Golightly	Director, Child Support Services Department, Los Angeles County
09/06/11	Leroy D. Baca	Sheriff, Los Angeles County
09/08/11	Zev Yaroslavsky	Los Angeles County Supervisor, Third District
09/09/11	Daryl L. Osby	Fire Chief, Los Angeles County
09/16/11	William T. Fujioka	Chief Executive Officer, Los Angeles County
09/19/11	Mitchell H. Katz	Director, Department of Health Services, Los Angeles County
09/20/11	Steve Cooley	District Attorney, Los Angeles County
09/22/11	Claire Bartels	Chief Deputy Controller, City of Los Angeles
09/26/11	Marvin J. Southard	Director, Department of Mental Health, Los Angeles County
09/29/11	Mark Ridley-Thomas	Los Angeles County Supervisor, Second District
10/04/11	Mark Ghaly	Deputy Director for Community Health, Department of Health Services, Los Angeles County
10/06/11	Jonathan Fielding	Director, Department of Public Health, Los Angeles County
10/13/11	Russ Guiney	Director, Department of Parks and Recreation, Los Angeles County
10/31/11	Michael D. Antonovich	Los Angeles County Supervisor, Fifth District

\* Invited by CGJ staff to provide initial training

**ACRONYMS**

<b>CGJ</b>	Civil Grand Jury
<b>LAC+USC</b>	Los Angeles County + University of Southern California Medical Center
<b>LASD</b>	Los Angeles Sheriff's Department